

# FAR EASTERN ECONOMIC REVIEW

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## Industrial Working Conditions and Labour Situation in Hongkong

### General Trade Review

The year has been an uncertain one for industrial concerns, but on the whole good. Foreign competition has increased and markets have become more selective. Continued unsettled conditions elsewhere have brought many manufacturers to the Colony. Certain trades, e.g. manufacture of enamelled hollow-ware, paints, building materials and plastics, and the cotton spinning industry, have made steady progress. Expansion has led to closer attention and therefore to improvements in working conditions. Production of rubber wares, torch bulbs, torch cases and batteries, and in the knitting and weaving industry has declined. The rubber shoe industry, after a depressing year, now has a brighter outlook following recent orders from the United Kingdom. Weaving and knitting factories, particularly small concerns, continue to decline in numbers and since the last annual report over 100 establishments have closed down or suspended business. Reasons given are continued high production costs, loss of markets through increased competition and the cost of yarn, which, it is stated, is from \$200—\$300 per bale higher than in China.

The larger and better organised textile factories have not been so hard hit but are nevertheless worried about the future of the industry which undoubtedly needs overhauling and modernising. To date only one company has installed automatic looms. The installation of a large number of automatic looms in the Colony will, apart from the obvious result of increasing the efficiency of the industry, lead to much unemployment following the closure of many small concerns, particularly of the cottage type, where hand looms are in use and where weavers are barely making a living.

Cotton spinning, which has become a major industry, continue to expand and there are now six mills operating 60,000 spindles and planning to in-

crease to 90,000 spindles. Four mills under construction will, within two or three months, add a further 70,000 spindles. With the exception of the two pioneer mills, all are in buildings constructed for the purpose and compare favourably with cotton mills anywhere.

Trades allied to the building industry have expanded during the year and there are now five rolling mills producing steel bars of good quality. Raw material is obtained from wrecked ships or from ships broken up locally. Joinery and the manufacture of steel window frames, aluminium wares and enamelled hollow-ware have also expanded; there are now in operation seven factories producing the latter whilst two are under construction.

An industry, new to Hongkong, the production of dried egg albumen and liquid yolk, is being established. Two factories under construction will produce about 2,000 lbs. of albumen and four tons of yolk daily, for export to the United Kingdom.

### Industrial Development

Industrial development has taken place mainly in the Cheung Sha Wan areas (from Tai Po Road to Lai Chi Kok) but lack of government sewers in the large area from Lai Chi Kok to where Castle Peak Road crosses Cheung Wah Street is preventing satisfactory development. Further industrial development has taken place in the New Territories, mainly in the Tsun Wan area where modern textile (cotton and worsted) and enamelled hollow-ware factories are being established. There are now, in the New Territories, 40 registered factories ranging from small rice mills, chemical works and tanneries to a brewery, large cotton-spinning and silk weaving factories, brick and tile works and enamel works. Five modern factory buildings are nearing completion and a further five are either in course of construction or in the blue print stage.

During the year 133 plans of factories or workshops were forwarded by the Building Authority for perusal. About 25% were for new factory buildings and the remainder for alterations or additions to buildings.

### Factory Registration

For purposes of registration, trades are still considered with due regard to

the recommendations of the Pre-war Town - Planning Board. Dangerous trades are dealt with on individual merits and unless there is a danger to communal health, may be established in any of the industrial areas if premises are suitable.

The occupation of domestic buildings by certain trades has received much attention and every effort has been made to encourage industry to develop in industrial buildings in industrial areas. Conversely, the establishment of such industries in domestic buildings is being discouraged. The lack of factory buildings makes it impossible to refuse all applications for registration in domestic buildings.

The printing trade, established for many years on small capital, is operating mainly in domestic buildings many of which are of internal wooden construction. Many have received notice from the printing licensing authority that they must move to more suitable premises. A number of these establishments are not registrable under the Factories and Workshops Ordinance, having no power-driven machinery and less than 20 workers. The Chairman of the Printers and Publishers Association has been advised that the interests of both the employers and workers in the industry could best be served by the adoption of the "flatlet factory" system in which small concerns share a building.

During the year 366 applications for registration were received and 275 registration certificates were issued. There were 166 certificates cancelled and/or applications refused. There are now 925 registered Factories and Workshops and 204 applications under consideration. Of the factories and workshops registered during the year, 86 were in factory type buildings.

### The Labour Situation

The general decline in industrial productivity of Chinese workers since the war continues to exercise an influence on employment, wages, etc. Pre-war it was estimated that the average Chinese artisan could, particularly in handwork (e.g. lathe operation, hand fitting, etc), turn out about half as much as his English equivalent, and his workmanship was of a high standard. His wages, in keeping with the much lower cost of living, were about one quarter of his English counterpart. Many skilled workers lost their lives in the war, adequate training for their successors has not been available, and

The above review is condensed from the Annual Report of the Labour Department of Hongkong Government for the fiscal year April 1, 1948 to Mar. 31, 1949. The Report has been compiled by Deputy Commissioner of Labour Q. A. A. Macfadyen who was appointed to act as Commissioner of Labour as from January 7, this year.



the Colony has not recovered from this dearth of skilled men.

Concurrently with the reduction in output, wages for skilled artisans have increased four or five times in keeping with the increased cost of living. It is estimated that at present wages of Chinese workmen are about half those of an English workman of similar skill, but his output is perhaps not more than one quarter. Low output and high wages are reflected in high costs, which are particularly marked in the building industry. In order to reduce costs, managements, in the dockyards for instance, have had to keep many of their employees on piece rates as this is found to be the only way to get more done without close and constant supervision. The remedy probably lies in improved training facilities both for workers and supervisors, and in increased mechanisation.

#### Employment and Distribution of Labour

The population of the Colony is estimated to be 1,800,000 but its distribution is uncertain. Apart from those engaged in fishing, agriculture, and domestic service, there are employed large numbers of casual workers, such as coal coolies, stevedores, earth carriers, and street hawkers, and the innumerable assistants in every shop. The number of such workers is unknown, though perhaps more information will be gleaned from the census projected for 1950. There is some reasonably reliable information on employment in industrial concerns, but even here, as industry is characterised by a very large number of small concerns, often based on the family as a unit and employing no power-driven machinery, employment figures are necessarily incomplete. The available information on the distribution of employment shows 65,271 workers employed as at March 31, 1949. This information, which is provided voluntarily by employers, is not subject to any secondary check and must be accepted with reserve.

There has been an increase of 7.6% in the employment in registered and recorded factories and workshops during the course of the year, but this is due to an increase of 12.3% in the number of factories and workshops themselves. It is impossible to provide exact figures, but the impression is that there has been a falling off in the level of employment. The decline, which is attributed to the shortage of steel plates which has necessitated the laying off of a number of workers, is shown markedly only in the shipbuilding and repairing industry, where the figures of employed persons have dropped in one year from 11,366 to 8,871, although a few additional small shipyards have been registered during the year. These figures also do not take into account the number of workmen employed in the Royal Naval Yard, which during the year has remained fairly constant at about 4,500.

Many factories have workers engaged on piece work, and employment fluctuates within wide limits according to numbers of orders placed. This probably accounts for the 20% reduction in

employment in the manufacture of rubber products, which is one of the more important of Hongkong's light industries. The most spectacular increase in employment has taken place in the spinning industry.

#### Wages, Hours of Work, Holidays and Overtime Payments

Although there were signs during the previous year that employers might attempt to reduce wages during the year under review, wages did in fact remain remarkably stable and there was no major strike, except for that in the taxi companies, in which the main demand was for an increase in wages. There were of course a large number of small disputes in which wages were an issue, but these did not develop into strikes and their effect on wages generally was not noticeable.

The "rehabilitation allowance", which is in effect a cost of living allowance for artisans and coolies, continued to be paid by those European concerns and the Chinese managed bus companies who had adopted it in 1946. Unskilled workers on monthly rates of pay are paid a rehabilitation allowance at artisan rates. The daily rate of allowance is 1/28th of the monthly rate. The monthly average for 1946/47 (excluding April and May) was \$81.60; for 1947/48 it was \$86; and for 1948/49 it was \$82.50.

At the end of 1948, as a result of the recommendations of a Committee appointed to examine the adequacy of the Government cost of living allowances, the Government ceased to tie to the rehabilitation allowance its cost of living allowance for foremen, artisans and coolies on monthly rates of pay, and adopted instead flat rates, in some cases more favourable, which are subject to review from time to time. The rehabilitation allowance continued for employees paid by the day.

Information about wages and earnings of persons employed by Chinese concerns is less exact. Wage rates have been steady and are frequently higher than those in European concerns. However employment is usually much less stable, and piece rates are very common. There have been reported one or two cases of attempts to reduce wages when business has fallen off. These cases only come to the notice of the department when labour has reacted strongly, so that it is difficult to know whether reductions are in fact more common. It is believed however that there have been few reductions. Cost of living allowances are rarely paid by Chinese employers, but factories, workshops, small shops, and indeed many business concerns provide free food. As the price of rice is the major factor in the cost of living, the cost of meals operates to some extent as a cost of living allowance. Accommodation is also frequently supplied, although in many cases it amounts to little more than permission to sleep on the premises.

By general agreement between all European employers and now an increasing number of Chinese employers engaged in more modern forms of business, such as the omnibus companies, the 48-hour week is recognised

as standard, and any work over 8 hours for six days is treated as, and paid for, at overtime rates. During the year the Government brought in a 48-hour week for all its manual workers. It is an aim of policy of the department to get the 48-hour week recognised as standard.

Workers in Chinese-owned industries continue to work longer hours, nine hours a day being standard, quite often combined with a seven day week. This is not as reprehensible as it sounds, as Chinese workers prefer long hours at a slower tempo to shorter, more concentrated hours. This is partly due to habit and climate, but in many cases workers do not know what to do with the increased leisure resulting from shorter hours, and prefer the increased wages from which they benefit in a longer working week. Even longer hours are often worked where employment is at piece-rates, which are particularly prevalent in the textile, electric torch, and rubber industries. Moreover, in the textile industry, where work is often particularly light and consists in the mere watching of machines with an occasional adjustment or the joining of a broken strand, many women are content to sit and watch for 12 hours and resent interference with their desire to earn more money by working the longer hours.

There has been little change in the number of holidays granted by employers to their workmen, and in no case has a demand for holidays, paid or unpaid, been either a primary or secondary cause of a dispute. In addition to Sundays, there are 16 annual statutory holidays.

The Government, utility and taxi companies, and most European-managed business houses grant these holidays with pay or, in the case of the Government and utility companies, days off in lieu. Dockyards and other European-managed industrial concerns usually grant between 12 and 16 paid holidays or half-holidays a year coincident with Chinese festivals rather than official holidays.

The more progressive and better organised Chinese concerns also grant some or all of these holidays. Sundays have no place in the Chinese calendar and, except for a few business houses and some constructional concerns, are never taken as holidays; in fact in 1947 when an agreement was signed between the workers and employers in the taxi companies, the workers expressed a desire to work on Sunday on which customers, and therefore tips, are more plentiful. The majority of smaller Chinese shops, factories, workshops, etc., provide no holidays for their employees, except at the Chinese New Year, Ching Ming and perhaps at one or other of the seasonal festivals, especially those connected with the trade or industry itself. In some cases these holidays are with pay. As many of these concerns are on a family basis, the system works well enough and the introduction of paid holidays on the European model is not a matter of great concern to the workers.



Overtime pay is granted in all concerns where the 48-hour week is standard. It is commonly paid to manual workers only, but the Government pays all its staff with the exception of administrative, professional and senior technical officials for overtime worked, though its policy is to limit overtime as far as possible by granting time off in lieu. The standard overtime rate is one and a half times the basic wage for time worked before normal working hours and after normal working hours up to midnight, and twice the basic wage for work on Sundays or public holidays. For government salaried staff the hourly over time rate is 1/100th of the basic monthly salary with a maximum of \$6 an hour, which is a little more than the standard rate for government employees paid by the day. Manual workers in Chinese-managed factories are usually paid overtime pay at a rate between one and one and a half time their wage. Salaried workers in these factories get overtime pay only infrequently.

Although the building construction industry is largely under Chinese management, wages in this industry are remarkably uniform and have been determined by agreement among members of the Building Employers' Association. Wages are high compared with other industries, as an acute shortage of accommodation exists and there is little difficulty in passing on high costs to purchasers. Wages for manual workers in the dockyards, utility companies, and the Government are uniform.

#### Industrial Training.

Apprenticeship is very ill-regulated in the Colony, and only in one or two places is it on a sound footing—

(a) The Taikoo Dockyard has for many years provided apprenticeship training, and remodelled its scheme in 1947. In brief, apprentices enter the yard by competitive examination at the age of 16 or over. A good standard of mathematics is required, and apprentices are graded according to whether they are English-speaking or not. Apprenticeship is to trades normally associated with dockyards and lasts five years; training is linked closely with the Technical College run by the Education Department. Pay varies between 7 cents and 26 cents an hour, together with the appropriate rehabilitation allowance, depending on the grade of the apprentice and the number of years in training. Bonuses are paid for the acquisition of efficiency certificates. On 31st December, 1948, there were in training 13 English-speaking apprentices and 218 Chinese apprentices in company employ and 159 in the employ of company contractors. The Kowloon Dockyard also has an apprenticeship scheme on somewhat similar lines.

(b) The Kowloon Canton Railway has an apprenticeship scheme on a small scale, though run on sound lines. During the year 16 lads were in training as fitters, machinists, etc., 14 of them attending night courses at the Technical College. Pay varies between 10 cents and 26 cents an hour,

together with the appropriate rehabilitation allowance, depending on the number of years in training. The Railway also trains one or two more highly educated youths for posts of junior engineer or workshop foreman. The Public Works Department, the only other Government department employing apprentices, does not have a developed system of apprenticeship training, but some improvements have been effected during the year. The chief difficulty is shortage of supervisory staff.

(c) The Aberdeen Industrial School, run by Salesian fathers, is the nearest approach in the Colony to an industrial training school. The school takes in Chinese orphan boys, and, after four years' primary schooling, they begin their training as apprentices in electro-mechanics, mechanics, carpentry, shoe-making, and tailoring. Apprenticeship lasts between three and five years, depending on the skill to be acquired. The capacity of the school is 350. After the war the proportion of students to apprentices is abnormally high, the number of boys in training as apprentices being 162.

(d) The Evening Department of the Government Technical College provides a wide range of courses, of which by far the largest is preliminary engineering, for apprentices only. There are about 560 apprentices engaged in classes which are ancillary to normal apprenticeship training.

Several agreements between workers and employers embody clauses dealing with wages and conditions of work for apprentices, but as a rule these are not well drafted and do not obviate the malpractices which are all too general. Things have not changed much since 1939, when apprenticeship was frequently an excuse to obtain cheap labour, in return for little or no wages, but with the provision of food and lodging. Several years' apprenticeship may be demanded in what would appear to be largely an unskilled trade, the secrets of which could be mastered in a month.

#### Surveys of Individual Industries.

During the year, the Woman Labour Officer with the assistance of the Labour Inspectorate carried out surveys of the following industries:—Rubber, Metalware, Electro-plating, Printing, Button-making, Garment-making Industry.

Forty-six factories making Rubber Wares were inspected. A few small concerns were merely mixing and rolling rubber sheets and making small articles such as rubber soles, motor parts, dolls, balls; the majority were making rubber and canvas sports shoes or boots and wellingtons. About a third of the labour force is male, employed chiefly in the rolling, mixing and vulcanising sections; the majority of the other processes, which are legion, are done by women. Most of the men are on monthly pay, occasionally daily pay. Some women, usually general workers and in rare cases overseers or teachers, are on daily pay, but the majority are

on piece rates, with some who are particularly quick able to reach a fairly high average wage. More than half the factories work a 9-hour day, a few have a shorter day; overtime is common, at increased rates for daily-paid work, but at the same rates for piece-rate workers. All work seven days a week when orders are sufficient to keep them going, and except for monthly workers there are no holidays with pay; Chinese festivals are granted as holidays without pay. Eight factories retain the services of a Western-trained or Chinese-trained medical practitioner whom all employees may consult free; but generally speaking, medicines, etc., are paid for by the individual, and only monthly-paid workers are entitled to sick leave on pay. Maternity leave is granted but only rarely any financial assistance.

Included in the survey on the Metalware Industry were over a hundred factories making a variety of articles: steel bars, window and door frames, pans, charcoal iron, torch cases, hurricane lamps, tin cans, nails, needles, etc. There is great diversity in every respect, from the type of building occupied—some in modern, well-lighted, well arranged buildings, others in old tenement house, where natural lighting is poor and space at a premium—to wages and general working conditions. One outstanding fact is the low range of women's wages. Whereas men do all types of work—unskilled, semi-skilled, skilled and supervisory—and are paid accordingly, the bulk of the women are unskilled workers with a small percentage semi-skilled and in very rare cases skilled; this probably accounts for the low wage average. One other outstanding fact is the employment in certain instances of so-called apprentices whose numbers are too great compared with the numbers of skilled workers employed; the apprenticeship is for two or three years but without any really progressive system of training, and with only meagre remuneration. Most metal factories work a 9-hour day with a 7-day week, though some work only 8 or 8½ hours and a 6-day week; a small number work more than 9 hours. In many overtime is common. A few factories only are equipped with a first-aid room or dispensary with a qualified attendant; one or two others retain the services of or have regular visits from either a Western-trained or Chinese-trained medical practitioner.

The Electro-Plating factories are ancillary to those making lighter metal articles, and are few in number as the large torch case or lamp factories usually have their own electro-plating department. All are small concerns and housed in tenement properties. Women's wages approximate to those of the metalware factories; men, who are largely semi-skilled, are for the most part on piece rates. Working hours and other conditions are similar to those of the majority of the metal factories. The ratio of apprentices to semi-skilled is too high, and the length of time required for apprenticeship too long.



## Hongkong Industrial Reports

Except for the type of premises, which shows the diversity characteristic of Hongkong's industrial development, there appears to be more uniformity in the Printing Industry than in many others, with conditions of work for men, though not for women, regulated by agreements between associations of employers and workers. These provide for a certain number of paid holidays each year, payment of medical expenses and limited sick leave, in most cases an 8-hour day and a 6-day week, with regular overtime rates for extra days or extra time worked. Wages are not so uniform, except that most men are on a monthly basis, with a certain amount of casual labour on daily or piece rates; wages for skilled workers are often fairly high. Women, who represent less than 25% of the total numbers, are employed chiefly as book-binders in letter-press printing, and in a variety of unskilled and semi-skilled work in off-set printing. Except that they have the shorter working week and overtime rates, they derive no benefit from the conditions laid down in agreements for the men; the majority are on daily or piece rates, and, regarded as casual labour, they are not entitled to holidays with pay—no work no pay—nor to sick benefit. There are a number of exceptions where very satisfactory sick benefits are available to women; in two cases there are, in addition, quite generous maternity benefits. Quarters are sometimes provided for men, very occasionally for women; a small number of concerns provide recreational facilities. Numbers of apprentices in proportion to skilled workers are reasonable, and the system of apprenticeship more satisfactory than in many industries.

Button-Making is a very small industry in Hongkong with only ten registered or recorded factories, using as material ivory nuts, sea shells, cocoanuts and bones. The work done by both men and women is either unskilled or semi-skilled. A few men are on monthly rates and a few women on daily rates, but a large number of both are on piece rates, the rates remaining the same for any overtime worked. Most factories work 9 hours a day 7 days of the week, when orders are sufficient; one factory has adopted an 8-hour shift system. Numbers of apprentices and young persons are small.

Garment-Making includes independent factories where shirts of woven material and outer garments are made and also a section of the cotton-knitting factories where the knitted material is made up into underwear and sports shirts. Wages and conditions are very similar except that in places attached to the knitting factories there is a bigger proportion of female labour, while in shirt making there are fewer processes, and three of these—cutting, ironing and collar-making—are almost invariably done by men. Men are sometimes paid on a monthly, and women sometimes on a daily basis, but the majority of men and women are on piece rates, the same rates obtaining whatever the number of hours worked, and no pay other than for

During the month of October a total of 45 applications (11 on the Island and 34 in Kowloon and the New Territories) for registration of factories and workshops in the Colony was recorded by the Hongkong Labour Department; on the other hand, eleven registered factories and workshops were closed during the month (1 in Hongkong and 10 Kowloon and the New Territories). The number of applications received from January to the end of October of this year totalled 365 (138 and 227) while the number of certificates cancelled totalled 167 (37 and 130). The number of factories and workshops registered in the Colony at the end of October was 1004 (274 and 730).

The applications during October for registration included 6 Bean Curd (Kowloon), 4 Electro Plating (Kowloon), 2 Dyeing (Kowloon), 2 Engineering (Kowloon), 2 Flour & Rice Mills (1 on the Island and 1 in Kowloon), 2 Knitting (Kowloon), 2 Laundry (Hongkong), 3 Metal Works (2 and 1), 3 Printing (Hongkong), 3 Saw Mills (Kowloon) and one each Biscuit & Confectionery, Cotton, Enamelware, Hats, Noodles, Peanut Oil refinery, Pencil, Plastic wares, Quarry, Sesamin seed oil, Soap, and Weaving (silk) all of which are in Kowloon; on the Island one each Noodles, Tin Cans and Toothbrushes were registered.

The largest undertaking recorded during the month which will employ 200 men and 80 women is a cotton mill at Tsun Wan, the next largest is a knitting mill on Castle Peak Road employing 105 women and 36 men, while a new dyeing factory at Tsun Wan will employ 100 men and 10 women. The total number of employed in the new factory applications is 960 men and 426 women.

### Rubber Shoes

The new orders recently received from London for locally made rubber shoes suitable for winter wear to be shipped as soon as possible, has been welcomed by the rubber factories which are now working at full capacity. In fact those factories which have not yet completed previous commitments and outstanding orders, which will require a further six or eight months to finish, will find it difficult to execute additional orders. Five lots have now been shipped to London. On the other hand, taking a long

work completed. Consequently men and women alike are willing to work long hours when good business provides an opportunity in order to off-set the days when there may be no work and therefore no earnings. When a factory is working full time there is usually a long working day, sometimes 11 hours, and 7 days a week. Holidays with pay, and, with few exceptions, sick benefit also are only granted to monthly-paid workers.

view, the fact that the Philippine Government is introducing regulations to protect the home industry from the cheaper goods obtainable from Hongkong by an import quota system is likely to affect the future of the local article. The rubber shoe industry is growing rapidly in the Philippines and it has been found expedient to take protective steps against a keen competitor like Hongkong.

### Woollen Knitting Yarn Industry

The two new woollen knitting yarn factories recently opened in Hongkong are unfortunate in being faced with reduced orders from Canton and South China. The fear that the trade in general may suffer, caused prices to slow a decrease at one time but according to the latest figures the market price for woollen knitting yarn has since remained steady. The two new factories have a combined spindleage count of 3,500 and a capacity output of 4,000 lbs daily of 4 ply yarn.

### Matches

The resumption of imports of matches by India as from November 7, has relieved to a great extent the concern which local match manufacturers felt when the embargo was first imposed. India has no match factory and purchases approximately a third of the local output, consequently this abstention from buying caused a serious blow to the industry. Hongkong and Macau have five large factories between them with a monthly output capacity of roughly 6,400 cases of 1,200 boxes per case. Local consumption takes about ten per cent of the output while India, the most important market, Manila, Siam, Malaya, Australia, New Zealand and Pakistan take the remainder.

### Ginger Supplies

The fall of Canton has made the supply and transportation of ginger extremely difficult, and prices have increased at source to considerably above the previous price, the cost of the raw ginger amounting now to \$40 per picul. Local manufacturers however, foreseeing in time the possible difficulties of the situation were able to secure sufficient stocks to meet immediate requirements. In the meantime although the price offered for ginger in England was 10% lower than last year, profits still remain high enough to warrant the despatch of the several shipments which have recently been made. The previous allocation of preserved ginger to England was set at 30,000 drums and hopes were entertained this would be increased, but so far this has not been done.

### The Plastic Industry

The situation in the local plastic industry is extremely promising especially as the commodity is produced more cheaply than that of American



## Fisheries Industry of Hongkong

### Fisheries Policy

Since the liberation of the Colony, the main activities of the Fisheries Department of Hongkong Government have been in the administration of the Wholesale Marketing Organisation and in the Socio-economic field. A survey conducted at the end of the War revealed that there were 26,000 fisherfolk in the Colony as compared with 77,451 in 1938 and that most of them were impoverished and without boats. It was decided, therefore, that it was an opportune moment for the introduction of a Fish Marketing Organisation. The Organisation is planned in such a way as to make it become self-supporting, with the object of ensuring that the profits of the Industry will go to the Fishermen and not to the middlemen.

The Marketing Organisation is so arranged that it can, in time, become a Co-operative Organisation. "Fishermen's Syndicates" have been established in the main fishing villages, each Syndicate under the management of a Chairman who is paid from the funds of the Fish Marketing Organisation. The primary function of these Syndicates is the collection of fish from Fishermen and its transportation to the Market. However, they also discharge other functions such as the sale of Rice, Flour, Salt, Ice, Sugar, Ramie, hooks, Tung Oil, lamp mantles, etc., at low prices to Fisherfolk. They also act as centres for social welfare and education where advice can be given to the Fisherman on the various problems with which he is confronted. At the Wholesale Market, fish is bought by registered buyers by public auction and the fisherman is paid out on the same day the amount realised for his fish. 8% commission is deducted from all sales and from this fund the Scheme is run and capital accumulated for expenditure on future expansion, in the nature of markets, education and loans to fishermen etc.

Mechanisation of the Fishing fleet is essential to the development of the Industry and the Fisheries Department have been granted £10,000 as a free grant and £40,000 as a loan from the Colonial Development & Welfare Fund to assist the fishermen to make a start in mechanisation.

origin. There are ten plastic factories in Hongkong with a combined output of approximately 70,000 lbs. monthly and since May the output has increased as much as six times, compared with that month; it is also anticipated that a further increase will be registered. Orders have recently been received from Malaya which include plates, cups, spoons, chopsticks, brush handles of varied descriptions, toys, coat-hangers, etc.

Comparatively little has been accomplished in the technological and research fields, except for investigation in Pond Fishery. However, a start has been made for the founding of a Fisheries Research Station, and a grant of £135,000 has been made by the C. D. & W. fund to equip the Station.

### General Condition of the Fishing Industry

Hongkong Government (Fisheries Department) have sometimes been criticised regarding the high cost of fresh fish in Hongkong. It is however a fact that fresh fish in Hongkong is on the average far cheaper than anywhere else in the East. In Singapore the price of fresh fish has at times been twice that of Hongkong. The cost in Manila is much higher, for in spite of high handling costs and a high import duty, large quantities of fresh fish are being exported by local firms to Manila. This is an entirely new feature of the Hongkong fishing trade. This must be considered significant because before the War export of fresh fish to Manila was considered unpractical, which can be taken as some indication of reduction in the marketing costs of fish in Hongkong.

The life blood of the Fishing Industry is the export trade with China. This trade has suffered many setbacks in the past three years due to the instability of the Chinese Currency, and the exorbitant import taxes levied by China on the Hongkong fish. During September and October of last year the situation was desperate. An Import Tax in the neighbourhood of 80% was levied on Hongkong fish. This and the collapse of the purchasing power of the "Gold Yuan" forced down the bids for fish in the Hongkong Market and affected the income of the local Fishermen. Smuggling into China was resorted to by exporters in an effort to maintain their trade. The enforcement of the Anti-smuggling pact resulted in a large drop in the price offered for salt/dried fish in the Hongkong Market. It looked as if the Industry would be badly hit but, owing to Hongkong currency being generally accepted in S. China the price level of salt fish returned to normal.

A certain amount of salt/dried fish has been carried to Macao for Wholesale. The reason for this is: the increase in value of the Macao dollar as compared with the Hongkong dollar and the low price of rice in Macao and the surrounding Chinese Territory, making rice good cargo for the return trip.

The Fishermen of Hongkong with their wind-driven craft are affected far more by the weather than Fishermen in most parts of the World. When studying a production curve of the local fishing industry it is always found that during the typhoon season, May to October, the production of fish is low, the reason for this being that most of the fish landed in the Colony is brought

in by the large fishing vessels which remain in the fishing grounds for several days. During the Summer months these vessels seldom, if ever, put to sea for fear of adverse weather conditions. These days are spent in repairing gear and equipment. The Summer months are, however, the main season for Purse Seiner fishermen who return to base daily and whose main catch is Anchovy.

The development of the Industry must be along the lines of mechanisation. £50,000 has been granted from the Colonial Development & Welfare Funds for use as Capital in a Mechanisation Scheme. Of this sum £10,000 is a free grant and £40,000 is to be used for loans to fishermen to give them financial help in purchasing suitable engines and their installation. So far no loan has been made to fishermen from this fund. However, one pair of native type trawlers was mechanised with the help of loans issued by the Fisheries Marketing Organisation. This is the only pair of mechanised trawlers operating, long liners being considered more profitable to mechanise by the majority of Fishermen.

There are at present seventeen mechanised vessels operating in Hongkong. They consist of:—4 Japanese type trawlers, 2 Native type junks used as fish carriers, 2 Native type trawlers, 7 Native type Long-liners. The Long-liners have all been mechanised by the private enterprise of Fish Dealers and Fishermen. The four Japanese type trawlers and the two M.F.V.'s are company operated. Fishermen are becoming interested in modern types of fishing vessels and more progressive fishermen are considering cutting out the intermediate step in mechanising junks, and building a vessel with a hull suitable for mechanised propulsion.

As a result of the Japanese Occupation when the Japanese permitted the use of dynamite for fishing purposes, the use of dynamite has become widespread and although declared illegal there seems to be no decrease in the use thereof. Great efforts have been made to stop the use of dynamite, but so far all efforts have had little effect.

During the twelve months of April 1948 to March 1949 the Marketing Organisation handled 139,686 piculs of fresh fish and 257,761 piculs of salt fish, the total value of which was \$23,092,776—averaging \$58.10 per picul. The total amount marketed for 1948/49 is 397,447 piculs as compared with 256,470 piculs in 1947/48. It must be realised that this does not represent the total quantity sold in Hongkong. There is a considerable amount wholesaled illegally in the black market and a certain quantity sold in the villages or sold in small quantities off boats. Some of the increase over the 1947/48 figures is due to better control of black market fish and not, as might be assumed, better catches or a larger fleet.



## ECONOMIC NEWS FROM THE UNITED STATES

By E. Kann. (Los Angeles).

(Special to the Far Eastern Economic Review)

### Effects of the Two Great Strikes

Considering the direct connections which the entire industrial life in America has with coal and steel, it becomes apparent that the country's economic life is seriously being affected. On October 31 the Pennsylvania Railroad Co. announced that, due to these two strikes, its revenue had fallen off during one single month by 50%, i.e. a difference of \$21,000,000, causing the company to be now in the red. What the effects on metal-using manufacturing plants, like automobiles and heavy machinery will be, can well be imagined. The modest boomlet, which has been showing at the end of the summer, has been wiped out.

According to the Federal Reserve Board, the nation's industrial production fell off 11½%. This signifies that within one single month it slumped to the lowest level since spring of 1946. That in face of such desolate conditions the New York Stock Exchange maintained its upward move, is remarkable. The rise of Dow Jones industrial averages to 190 meant a gain in quoted share values of one billion dollar within a very brief span of time. It is difficult to offer a plausible explanation for so much optimism. Some people believe that the market's strength in face of persistently bearish news is traceable more to the growth of inflationary factors in America's national economy.

On October 31 the huge steel strike was partially settled, by Bethlehem Steel Co. giving in. The settlement includes the company's contribution of 10 cents an hour for social insurance and pension, but the workers will have to contribute from own funds additional 2 cents per hour. It is estimated that it will cost the Bethlehem Co. \$300,000,000 to finance for the next 5 years the pension-insurance program. This partial settlement will bring 80,000 workers back to work, but it will take a week before production can be restored. The agreement provides that the present minimum pension of \$50 will be increased to \$100 a month for employees of 25 years service and of an age of 65. However, pensions payable under this plan are reduced by amounts obtainable under the Federal Social Security Act. The new agreement is to run until December 31, 1951.

Seemingly the other large steel concerns, like United States Steel, Republic Steel, Youngstown sheets and tubes, etc. will soon fall into line. It would not surprise the writer to find that, when this report reaches Hongkong, a settlement of the steel, and probably also of the soft coal strikes, will have been announced.

### Great Britain's Debts to the United States

According to a statement emanating from Sir Stafford Cripps in the House of Commons, in answer to a written question by a member, England owes the United States \$4,779,000,000. Under

the loan agreement of December 6, 1945, (including a holdover from war-time lend-lease) \$4,359,000,000. Under economic co-operation loan agreements of October 26, 1948, and February 16, 1949, — \$313,000,000. Finally, under the Reconstruction Finance Corporation loan agreement of July 21, 1941, — \$107,000,000.

### Business Results

Although in the majority of cases business results during the current year were not as good as during the identical period of 1948, they nevertheless were satisfactory. Besides, as I foretold in my previous reports, year-end dividends of appreciable size now begin to flow in; this was partly accomplished through ample reserves, and partly it is a matter of policy to distribute former profits, in order to avoid paying heavy taxes thereon. In giving recent business results in today's review, the object is to show the trend of commercial and industrial affairs in the United States; but it also is intended to inform those of your readers, who have investments in American stocks, how their ventures are progressing. Since one can deal only with very recent earnings, the succeeding items merely form fractional evidence of commercial activities in this country.

General Motors Corporation: announces an income for the September quarter of \$198,735,000 net (the highest in the history of the concern), compared with \$120,392,000 for the same 3rd quarter of 1948. These record earnings represent \$4.45 a share (also the highest on record), against \$2.67 per share for the 3rd quarter of last year.

The company's net income for the first 9 months of 1949 amounts to \$502,414,000, or \$11.21 a share, compared with \$327,155,000, or \$7.22 a share, for the first three-quarter of 1948.

During the 3 months period under review the company in USA and Canada sold 815,374 units (motor cars and trucks), boosting the 9 months period to 2,167,500 units. These sales brought in a sum of \$4,458,079,000, being over a billion dollars more than during the same period of 1948.

Bethlehem Steel Corporation, another giant concern, also shows good results. Its net earnings for the three months passed aggregated \$23,020,000, equal to \$2.23 a common share, compared with \$26,749,000, or \$2.62, compared with the preceding 3 months, or \$22,585,000 (\$2.34 a share) for the 3rd quarter of 1948. Considering the first 9 months of 1949 the net results showed earnings of \$8.14 a share, against \$5.39 per share for the first 9 months of 1948.

The company's production of steel ingots and castings during the 3rd quarter represents 89.2% of capacity; this compares with 100.5% for the 2nd quarter of 1949 and 99.7% for the third

quarter, 1948. While these results are highly satisfactory, their continuation undoubtedly will be severely impaired by the current steel strike and the enforced idleness.

Chrysler Corporation also shows profits sharply up. Its net earnings for the first 9 months of 1949, are \$97,651,000, compared with 59,888,000 dollars for the same period of last year. This means \$11.22 a share against \$6.88 a year ago. Total passenger cars and trucks (Chrysler, Plymouth, Dodge and de Soto) for the 9 months ending September 30, 1949, were 1,028,400 units, representing a monetary turnover of \$1,607,768,000.

These excellent results induced the directors to declare an increased dividend of \$1.50 a share for the 3rd quarter, compared with \$1.25 paid for the each of the previous three quarter terms.

Studebaker Corporation is another large and successful concern. Its net profits for the first 9 months were \$17,242,000, equal to \$7.32 a share. This compares with \$13,393,000, or \$5.68 per share during the identical period in 1948. During the term under review the company sold 228,110 passenger cars and trucks, compared with 170,600 in the same period in 1948.

Standard Oil Co. of New Jersey reports estimated net earnings for the first 9 months at \$195,000,000, equivalence of \$6.46 a share. This compares with \$290,000,000, or \$10.25 a share for the same term of 1948.

The directors declared a dividend for the 3rd quarter of \$2.50 a share. For the June quarter the dividend consisted of \$1.50 in cash and 4 new shares for every 200 shares held. In 1948 the concern made two payments of \$1 each and two stock dividends of 5 shares for every 200 shares held.

Standard Oil Co. of California also reports reduced earnings. Its net income for the 3rd quarter was \$29,618,000, or \$2.17 a share, compared with \$39,461,000, or \$3.03 per share. Considering the first 9 months one will find net earnings for 1949 of \$105,416,000, equal to \$7.72, against \$117,073,000, representing \$9 a share for the first three quarters of 1948. The reason for the decline was the cutback in crude oil production. A regular quarterly dividend of \$1 was declared.

United States Steel Corporation, while divulging a slight decline in earnings, still can boast of excellent results. A quarterly dividend of 50 cents a share was declared, the same as for the preceding quarter.

The company's net income for the quarter ended September 30 was \$39,171,000, equal to \$1.26 a share. This result compares with \$44,125,000, or \$1.45 for the preceding quarter, or \$34,599,000 for the same quarter of 1948 (\$1.09 per share). Actual steel shipments for the first 9 months of 1949 aggregated 15,549,000 tons, compared with 15,130,000 for a similar 1948 period. The combined net income for the first 9 months of 1949 was \$133,223,000 (\$4.38 a common share), against \$88,042,000 (\$2.65) in the comparable 9 months of 1948.



## Hongkong Stock & Share Market

The political atmosphere is still shrouded in uncertainty with the delay in the recognition of the Peking Government and the irregular communications between China and the Colony. It is generally taken for granted that Peking will soon be recognised by London; as far as the Hongkong popu-

lation is concerned there is no doubt that the vast majority have 'recognised' the new People's Government as the sole authority in China proper. Relations with this new Chinese authority must be established in order to eliminate the emergence of any possible misunderstandings and to promote commercial intercourse.

Jones & Laughlin Steel Corporation, owing to the uncertainties of the current strike, postponed action on dividend payments. This notwithstanding the fact that the first 9 months earnings amounted to \$20,039,000, or \$7.23 a share, compared with \$20,249,000 (\$7.75) for the same period of 1948.

Westinghouse Electric Corporation declared a dividend of 65 cents a share for the 3rd quarter, bringing the total dividends for the first 9 months to \$1.40. This enhanced benefit was made possible by the largest 9 months net income the company ever had in its history. During that period the net income rose to \$48,964,000, equal to \$3.64 a share, which compares with

\$37,296,000, or \$2.74 per share, for the analogous term of 1948. Considering the third quarter only the net income came to \$1.54 a share, against 72 cents for the third quarter of 1948.

Philips Petroleum Company had a net profit of \$32,685,000 (equal to \$5.40 a share) for the first 9 months of this year, compared with \$55,703,000, or \$9.21, for the same term of 1948. Considering the third quarter only, there was a net profit of \$10,732,000 (or \$1.77 a share), compared with \$19,221,000 (or \$3.18 per share) for the third quarter of 1948. Company output of domestic and foreign crude oil during the first 9 months of the current year amounted to 103,910 barrels a day.

Conditions in Canton have encouraged belief here that the new regime is anxious to help in the normalisation of trade and business generally but the new authorities are still confronted with mopping up operations in some border regions of Kwangtung and with the nuisance of occasional KMT naval attacks on ships carrying goods in and out of Kwangtung. The upswing of trade between Hongkong and Canton has been delayed by the extension of the KMT 'blockade' which however is not expected to last for more than 2 or 3 weeks more by which time either the bulk of the KMT navy in these waters will have withdrawn to Taiwan or Hainan or otherwise, following examples of the recent past, deserted the nationalist cause and placed themselves under the command of the People's Army in South China.

The developments in Canton have strongly influenced local investors since that city passed under the control of the communists. There was some anxiety about unpleasant repercussions on Hongkong after Canton 'changed hands' on Oct. 14 but so far the repercussions have been of a very favourable nature. Trade with China has further increased as a result of the re-establishment of orderly conditions in Kwangtung under the new People's authorities and there is no indication of any feeling of hostility on the part of the Chinese Communist Party vis-a-vis the British authority in Hongkong. Cooperation between Britain and the new 'red' China is possible and, as far as this Colony is concerned, a necessity. Expecting therefore genuine and mutually beneficial cooperation between China and Hongkong, the majority of local investors were justified in taking a sanguine view of developments in South China.

Last week's market was reflecting the improved all-round sentiment with ever more buyers making an appearance. Sellers on the other hand were showing more reluctance and biding their time, realising as they do the improved tone and the possibility of getting higher prices if they wait for a few weeks more. There were also more reports circulated in the market which spoke of good dividends and bonuses to be paid in respect of the current year and it appears that even the staunchest conservatives among our local company directors are now leaning more to the side of the advocates of higher dividends and less appropriations for this and for that. The interest of the shareholders are now to be taken care of with more vigour than in the past. It is now when company directors can show their wisdom in rallying public support to the stock of their respective companies.

Wheelocks paid a \$3 dividend (free of tax) for the year ended March 31, 1949, and this payment amounts to a yield of about 10% at current market level (\$30-31).

Volume of Business:—Total sales reported for the five days of trading last week amounted to 109,345 shares of an approximate value of \$1 million a decrease of 3/4 million compared with the previous week.

### Other Corporations Earnings

		Per share	
		1949	1948
General Foods Corporation	Sept. quarter	\$ 1.21	\$ 1.14
Technicolor, Inc.	"	1.92	1.39
National Biscuit Co.	"	.74	.71
Secony Vacuum Oil Co.	First 9 months	2.07	3.30
Internat. Business Machines	"	9.38	8.05
Consolidated Edison Co. of N.Y.	Sept. quarter	.25	.26
Republic Steel Corporation	First 9 months	5.78	5.03
Standard Oil Co. of Kentucky	"	3.94	3.77
Remington Rand, Inc.	"	1.36	2.03
National Gypsum Co., Inc.	"	1.79	2.48
Boeing Airplane Co.	Sept. quarter	1.03	.71
Southern Railway	First 9 months	3.69	1.87
Seagrave Corporation	"	3.48	1.51
Philco Corporation	Third quarter	.24	1.44
Youngstown Sheet & Tube Co.	"	4.48	5.26
Parke Davis & Co.	First 9 months	1.76	1.47
Houston Oil Co. of Texas	"	3.71	4.08
American Banknote Co.	"	2.14	2.64
International Silver Co.	Sept. quarter	2.50	4.70
New York Central Railway	First 9 months	6.83	2.04
Illinois Central Railroad	"	6.83	10.31
Plymouth Oil Co.	"	3.55	4.64
Monsanto Chemical Co.	"	2.48	2.51
Gulf Oil Co.	"	6.46	10.32
Cerro de Pasco Copper Co.	First 6 months	1.02	.86
Union Bag & Paper Co.	" 9 "	3.31	7.11
Colgate Palmolive Peet Co.	"	4.29	3.40
Union Pacific Railway	"	5.80	10.33
Holland Furnace Co.	"	2.17	2.58
National Distillers Prod.	"	1.98	1.96
Baldwin Locomotive Works	"	.92	.98
Proctor & Gamble, Inc.	Sept. quarter	3.07	2.05
National Cash Register Co.	First 9 months	4.47	5.51
Texas Co.	"	6.85	8.44
Radio Corporation of America	"	.84	.92
Mission Corporation	"	1.58	2.25
American Radiator & St. S. Co.	"	.98	1.69
National Steel Corporation	Sept. quarter	4.09	5.01
Stewart Warner Corporation	First 9 months	1.—	2.02
Newport Industries, Inc.	"	.01	1.51
U.S. Playing Card Co.	"	4.22	4.46
Richfield Oil Co.	"	3.84	2.81
United Airlines, Inc.	"	1.16	loss
Armco Steel Corporation	"	5.54	
United States Rubber Co.	"	2.68	6.42
Marshal Field & Co.	"	1.51	3.49
Curtis Publishing Co.	"	6.40	6.60
Pittsburgh Plate Glass Co.	"	2.86	2.58



## Exchange & Financial Markets

### Towards Normalisation of Postwar Trade and Finance

The current year has witnessed developments in every part of the world which indicate the return of normal conditions in postwar trade and finance. The spectre of deflation has been revived and there were signs that a recession in production and consumption is approaching; unemployment the world over is rising and there is again a 'crisis' apprehension among informed economic circles. However, it appears that the return to sound and normal business has set in during the current year and that this process will continue during 1950—barring unforeseen events such as the outbreak of hostilities.

The latter part of 1948 and the beginning of 1949 represented a turning point in the post-war economic developments. This period was characterized (a) by the fall in prices, especially of food, in some important countries; (b) by many instances of partial derationing and decontrol as a result of easing of specific shortages; and (c) by an increase in unemployment in a number of countries. One factor underlying these developments has been the increase in supply of consumption goods, especially of food. A second factor has been the reduction of pent-up demand which occurred both because of its saturation

and because of exhaustion of accumulated liquid assets by the mass of consumers. In some countries there was also noticeable a slackening of private investment especially in residential construction.

Another important recent development relates to the international balances of payments. In 1948 there was a considerable reduction compared with 1947 of the export surplus in the United States and to increase it in the net importing countries affected. An offsetting development, however, was a fall in the budget surplus in the United States and a fall in the budget deficit (or a shift from budget deficit to budget surplus) in the net importing countries.

During last year and the first half of 1949 the inflationary patterns of the two preceding years were still prevalent in a large part of the world. Nevertheless there was some tendency for the relaxation of the inflationary pressures. The pressure of pent-up demand weakened in many countries. There was also some increase in the supplies of consumption goods per capita and considerable easing of specific shortages. The supply of food generally improved after the favourable harvests of 1948. The full anti-inflationary impact of this factor however, was only felt this year.

The combined pressure of investment, export surplus and budget deficit as measured by the ratio of their sum to aggregate income, did not change considerably in most countries. On the whole, private and public investment continued at the high level of 1947. Decreases in import surpluses in a number of net importing countries were generally offset by increases in government revenue or in some instances reductions in government expenditure. In the United States the process was reversed: the decrease in the export surplus was offset by an increase in government expenditure and by a reduction in taxes.

### Monetary Inflation in China

With the increasing extent of the circulation of the People's Bank dollar, after the taking over of principal centres in South China by the People's Government (which was constituted on Oct. 1), the new legal tender of China has gained nationwide recognition and it cannot be long before all foreign governments will establish normal financial (and of course other international) relations with the new Chinese authorities. Civil war operations are coming to an end and therefore the need for covering military expenditure by means of the bank note printing presses will lessen and the national budget can be expected to be brought into balance. The severe taxation policy of the new regime augurs well for the early achievement of a balanced budget. Thus monetary inflation in 'red' ruled China should become a matter of the past and the internal stabi-

lity of prices in terms of the new legal tender (PB\$), may be looked forward to in the near future.

As a result of the crude fiscal methods employed by the former government, dominated by the Kuomintang, public confidence in paper money as issued by Chinese authorities has largely disappeared; it is therefore the more remarkable that the People's Government could muster sufficient support among the nation in respect of the holding and smooth circulation of the PB\$, unbacked as it is by any orthodox reserves. The difficulties which confronted the circulation of the new Chinese currency during the current year—the PB\$ started to become a national currency only after Shanghai's liberation last May—and its future thorny path, until peace in China has been fully re-established and the confidence of the public regained, can only be appreciated against the background of the hyper-inflation in China from about 1943 to the beginning of 1949.

The Chinese inflation which began during the war with Japan had already developed into hyper-inflation before 1946. The characteristic symptom of hyper-inflation is that the rate of interest tends to approach the rate of increase in prices, because lenders always consider the hoarding of goods as an alternative to lending. Thus the beginning of hyper-inflation in China can be dated by a comparison of the rate of interest with the annual rate of increase in prices.

Rate of Price Increase and Interest Rate in Chungking, 1940-46 (in per cent per annum):—

	Rate of increase of wholesale prices	Black market rate of interest
1940 .....	158	22
1941 .....	177	32
1942 .....	180	33
1943 .....	202	136
1944 .....	224	197
1945 .....	253	270
1946 .....	151	185

One factor sustaining hyper-inflation in 1946-47 was the existence of large budget deficits associated with the civil war and financed by issue of money or bank credit. Another was the expansion of bank credit at relatively low rates of interest to private business, which was used largely for hoarding of commodities. The increase in the total supply of money both in 1946 and in 1947 amounted to about 110 per cent of total government expenditure. This continuing increase in the money supply, in a situation in which all incomes tended to be spent for consumption, investment or hoarding of goods, continually raised the level of prices so that the increase in the supply of money would be absorbed for transaction purposes.

During these years United States currency privately held in China was a substitute for hoarding of goods. Its price on the black market in terms of the Chinese currency rose in more or less close relationship to the increase in prices of goods.

### Highest & lowest prices of last week:

	High	Low	Sales
H.K. Banks .....	\$1,490	1,480	95
Union Insurance .....	680	680	43
Canton .....	350	350	10
H.K. Fire .....	215	215	40
Wharves .....	108	108	35
N. Pt. Wharves .....	5.60	5.60	500
Docks .....	183 $\frac{1}{2}$	183 $\frac{1}{2}$	300
Providents .....	12.2	12	3,300
Steamboats .....	11	11	100
Hotels .....	11.9	11 $\frac{1}{2}$	7,600
Lands .....	51	50	476
Trams .....	16.9	16.4	10,900
Peak Trams .....	9 $\frac{1}{2}$	9 $\frac{1}{2}$	450
Star Ferry .....	92	92	100
Electricity .....	32 $\frac{1}{2}$	31 $\frac{1}{2}$	3,180
Macao Electricity .....	21	21	500
Lights, old .....	13	12.6	13,639
" new .....	9.8	9.6	11,676
Telephones .....	19.7	19	2,500
Cements .....	22 $\frac{1}{2}$	21 $\frac{1}{2}$	3,700
Ropes .....	16	16	200
Dairy Farms .....	42 $\frac{3}{4}$	42 $\frac{1}{2}$	4,156
Watsons .....	45	45	4,424
Lane Crawford .....	19	19	200
China Entertainment .....	14	14	200
Construction, new .....	1.2	1.2	1,500
Ewos .....	7 $\frac{1}{2}$	6 $\frac{3}{4}$	17,100
Shanghai Land .....	2.6	2.4	8,500
" Docks .....	9.2	9	2,100
Wheellocks .....	31	30	900
Asia Navigation .....	0.78	0.78	30,000

Price Index:—The Felix Ellis averages based on the closing prices of twelve representative active local stocks closed at 127.02 showing a net gain of .05 compared with the close of the preceding week. Day-by-day his averages were: October 31, 127.28; Nov. 1, 127.24; Nov. 2, 127.15; Nov. 3, 127.11; Nov. 4, 127.02.

	High	Low
1947 .....	155.82	123.88
1948 .....	148.68	134.05
1949 .....	138.37	123.32



The increases of money supply, wholesale prices in Shanghai, and black market price of United States dollars, from the end of 1945, are shown in the following table:

	Index of money supply	Wholesale prices in Shanghai	Index of black market prices of United States notes in Shanghai
1945 December	100	100	100
1946 December	640	650	480
1947 December	4,120	9,500	10,740

During 1946 the increase of wholesale prices in Shanghai was in about the same proportion as that of money supply. During 1947, however, the wholesale prices rose more than twice as much as the money supply. This was due to an increase in the velocity of circulation, or in other words, to the shortening of the "spending period" which itself resulted from the persistent and extremely rapid increase in prices. Thus the rise in the velocity of circulation and the price increase tended to reinforce each other.

This acceleration of the hyper-inflationary process continued until the monetary reform in August 1948. Prices rose fifty-six times from December 1947 to August 1948, compared with an increase of about fifteen times during the entire year of 1947. The money supply increased only twenty times from December 1947 to August 1948, so that the velocity of circulation again increased considerably. In this period the black market price of United States currency increased eighty-three times or considerably more than commodity prices.

In August 1948 a currency reform was instituted to curb hyper-inflation. It provided for exchanging old Chinese dollars into new "gold yuans" at the rate of three million to one. To secure "hard backing" for the new currency, the Government required that all holdings of gold, silver and foreign currency be surrendered in exchange for the new gold yuan valued at the rate of 4 "gold yuans" to one United States dollar. The amount of new currency issued at the end of September 1948 in exchange for these latter assets was twelve times as large as that issued in exchange for the old Chinese dollar. The currency issue resulting from this transaction together with the additional currency issued to finance the budget deficit (the latter amounting by the end of September 1948 to four and one-half times that issued in exchange for the old dollar), was considerably higher than requirements for transactions at prevailing prices in the new currency. After a short interval, the new currency was invested in the hoarding of commodities and hyper-inflation developed again, forcing eventually the complete breakdown of the reform and leading, in the earlier part of 1949, to the virtual annihilation of the purchasing value of the "gold yuan". Without any public announcement the "gold yuan" ceased to be printed and circulated after the Chinese people refused to accept it and do business in it.

#### Official Exchange Market

On Nov. 4 the official rates for Malayan dollars have been changed, all other rates remaining unaltered as previously fixed on Oct. 18. The Malayan dollar selling rate was increased from Mal.\$ 52-15/16 (per HK\$ 100) to Mal.\$ 53 1/4, and the banks' buying rate was increased, for TT and drafts, from previously Mal.\$ 53-7/16 to Mal.\$ 53 1/4. The official rates, per Mal.\$ 100, are as follows: selling HK\$ 187.79, buying HK\$ 186.04. The native exchange market is selling Mal.\$ notes between HK\$ 183 to 183 1/4; drafts command a slight premium over bank notes.

#### US\$ Market

Highest & lowest rates of last week, in HK\$: US notes 607 3/4—598 1/2, DD 612—606, TT 614—608 (or US\$162.86—164.47 per HK\$1000). Local cross-rates US\$2.605—2.631 (at parity of 1/3 per HK\$).

Bank of England notes sold here around HK\$15.30 but in New York dropped to US\$2.44; locally the pound note price is too high considering the New York market. Previously pound notes in the US sold about 5% above the local price thus making exports of such notes from here (or Macao) to New York an interesting proposition. If New York does not advance the pound note price the local rate should at best be around HK\$ 15.

Sales in the open market last week totalled US\$1.6 million (TT 700,000, DD and notes 900,000).

Japan account US\$ quoted irregularly, and some business was done at around HK\$9 per US\$1 in Tokyo. Even at this excessive rate importers maintain that Japanese goods can be disposed of at a profit—a reflection on the export potential of Japan. At present Hongkong Government has stopped all trade with Japan pending the establishment of a new official ex-

### Hongkong Official Exchange Rates

in force as from November 4, 1949

#### AGREED MERCHANT RATES OF H.K. EXCHANGE BANKS ASSOCIATION

	Maximum Selling	Minimum Buying
<b>Sterling</b>	1/2 7/8	1/2 31/32 T.T. 1/3 O.D. 1/3 1/32 30 d/s 1/3 1/16 60—90 d/s 1/3 3/32 120 d/s
<b>Sterling (East &amp; South Africa)</b>	1/2 7/8	1/3 1/16 O.D. if under L/Credit 1/3 1/8 O.D. without L/Credit 1/32nd up every 30 d/s
<b>Sterling (West Africa &amp; West Indies)</b>	1/2 7/8	1/3 1/4 O.D. if under L/Credit 1/3 5/16 O.D. without L/Credit 1/32nd up every 30 d/s
<b>Rupees (India)</b>	82 9/16	83 9/16 T.T. 84 13/16 O.D. 83 15/16 7 & 30 d/s 84 1/16 60 d/s 84 3/16 90 d/s
<b>Rupees (Pakistan)</b>	57 1/4	57 15/16 T.T. 58 O.D. 58 1/6 30 & 60 d/s
<b>Rupees (Rangoon)</b>	82 9/16	All buying rates 3/16th higher than India.
<b>Rupees (Aden)</b>	82 9/16	84 3/16 O.D. if under L/Credit 84 5/16 O.D. without L/Credit 84 13/16 30 d/s & 60 d/s
<b>Malayan dollar</b>	53 1/4	53 3/4 T.T. & O.D. 53 7/8 30 d/s 53 15/16 60 d/s
<b>U. S. \$</b>	17 5/16	17 1/2 T.T. & O.D. 17 9/16 30 d/s 17 5/8 60—90 d/s
<b>Canadian \$</b>	19	19 1/4 T.T. or O.D.
<b>Australia</b>	1/6 7/16	1/6 13/16 T.T. 1/6 7/8 O/D
<b>New Zealand</b>	1/2 7/8	1/3 1/8 T.T. 1/3 3/16 O.D.

Sterling Selling Rates for delivery within 2 months with a cut of 1/32 for every further 3 months forward.



change rate for HK\$ in terms of US\$ in Japan (Hongkong-Japan two-way account)—that is to say that while the official rate has been fixed here already on Sept. 20 by the action taken in London following sterling devaluation the local Department of Supplies & Distribution cannot make up its mind whether to follow the new sterling/dollar crossrate (£80) or to promulgate rates of its own. This hold-up of Hongkong-Japan trade is seemingly interminable. Meanwhile some imports from Japan trickle into the Colony without being officially recorded.

#### Gold Markets

Highest & lowest prices of last week, per hongkong tael (1.2033 ozs troy) of .945 fine \$314½—291½ (corresponding to .99 fine \$329.47—305.38). Actual business transacted in .99 bars, only for export, from \$306—329. Per .99 fine oz rates were \$273.80, high, \$253.78, low. Crossrates (at last week's free market TT New York) US\$44½ high, 41¾ low.

Prices declined here as a result of continued heavy supply balance over demand; dishoarding in China progresses, especially in Shanghai and Tientsin; demand in India and in Malaya is reported as decreasing which also affects local and Macao bullion dealers who have been in the recent past centering their attention on India and other Far Eastern markets which they hoped to supply from and via Macao. Investment and trading stocks are still on the increase in Hongkong.

Significant are the price differences between Hongkong and trading centres in China; prices in Shanghai and Tientsin were about 30% below Hongkong, prices in Canton about 5% lower, and prices in Taipeh and Chungking about 10% lower than the local market. All rumours and inspired reports circulating in New York and in other bullion centres to the effect that the US Treasury will soon raise the buying price from the present US\$35 per fine oz to, say, 38½ failed to impress the local market. The rumours are anyway not believed to have any sound basis and even in the event of a new price being announced in Washington the free or black gold markets the world over would not react in a bullish manner.

Last week's lowest local cross of US\$ 41¾ was rushing ahead of expected developments in foreign bullion markets. Current prices in Hongkong are now more or less in line with overseas gold supply centres and as these centres

quote gold (fob shipping port) higher or lower so will the local gold market.

Trading Reports of Last Week:—Monday, Oct. 31:—Opening and closing rates \$314—308. On the fictitious forward market the change over favoured sellers at the interest rate of 47 cents per tael of .945 fine per day. Throughout the week, the change over rates continued in favour of sellers. Highest of the week 314½ recorded earlier, but receded on high change over interest. Tuesday, Nov. 1st:—Opening and closing 308½—305½. Change over 9 cents. Market was easy on no support. Wednesday, Nov. 2:—Opening and closing 306½—300½. Change over 10 cents. Shanghai operators were heavily liquidating their overbought positions. Thursday, Nov. 3:—Opening and closing 299—300½. Change over 12 cents. Continued liquidations pulled the rates to 291½, lowest of the week, later recovered on rumour of threat to Macao by the Red Army. Friday, Nov. 4:—Opening and closing 298¾—298¾. Change over 7 cents. Market turned quiet. Saturday, Nov. 5:—Opening and closing 298¾—298¾. Change over 8 cents. Continued featureless and business reduced. In the unofficial market during the afternoon, business transacted at 299¼.

Official and unofficial tradings during the week totalled over 252,000 taels or a daily average of 42,000 taels. Positions left open estimated at an average of 174,000 taels per day, in which interest hedging forward operators, gold importers, and local operators oversold, while Shanghai, Canton and Swatow operators overbought.

Cash Bars turned over officially 21,790 taels and unofficially 14,500 taels, totalling 36,290 taels, in which 29,000 taels changed hands by interest hedging forward operators.

During the week under review, a total of about 7,000 taels were imported, of which 1,000 taels from North China, 1,000 taels from Taiwan, 500 taels from Canton and 4,500 taels from Macao. Exports totalled 3,500 taels of which 2,000 taels to Bangkok and 1,500 taels to Singapore (these were all .99 fine bars).

Local consumption for ornaments amounted to about 3,000 taels. Ready delivery stocks were estimated at about 340,000 taels.

#### Chinese Exchange Markets

With Shanghai:—During the week under review, remittances with Shanghai in terms of gold were quoted, high-

est and lowest, at 725—665 in Hongkong for 1000 in Shanghai, while those in terms of US\$ notes were at 862.50—800. The continued favourable balance of trade of the Colony showed itself in the exchange rates, for merchants, after disposing of their goods at high profits in Shanghai, were glad to withdraw their proceeds even at such big discounts. These big discounts should induce profiteers to take chances in shipping gold and notes to the Colony. Total business transacted was 2,500 taels of gold and US\$38,000.

With Canton:—Remittances with Canton in terms of Hongkong currency recovered from the lowest of 940 to the highest of 998 in Hongkong for 1000 in Canton towards the end of the week. The re-opening of the indirect railway communication was the cause for the recovery, and also lower prices of gold and continued circulation of Hongkong currency in Canton. Total business transacted was about HK\$1½ million.

With Swatow:—With improved communications, remittances in terms of Hongkong currency improved from the lowest of 870 to the highest of 910 in Hongkong for 1000 in Swatow. Total business done was about HK\$ 500,000.

With Amoy:—Nothing was transacted during the week but rates were expected to be quoted soon after communications reopened.

With Taiwan:—Remittances in terms of gold were quoted, highest and lowest, at 910—890 in Hongkong for 1000 in Taipeh.

People's Bank Exchange Rates:—Official rates for Sterling in Tientsin PB\$13,000, in Shanghai 11,750, for US\$ notes in Tientsin 4,800, in Shanghai 4,400, in Canton 3,000, in Swatow 2,800; for Hongkong dollar notes in Tientsin PB\$ 580, in Shanghai 550, in Canton 500, in Swatow 400. Black market rates in Canton were around PB\$700—600 per HK\$. Hongkong exchange shops quoted about the same rate as Canton.

Official crossrates, on the basis of Bank of China buying rates, were US\$ 2.70 in Tientsin, and 2.67 in Shanghai. Similar rates were quoted on the curb market in both cities.

Foreign bank notes are bought by the Bank of China (the People's Bank appointee for handling of foreign exchange) at rates as above which work out at crosses of HK\$8 to 8¼ per US\$. No sales of bank notes are effected. The curb market is quoting a Hongkong/US crossrate, for bank notes, at around HK\$6½.

Activity on Shanghai's curb market was much reduced, supply is getting tight and selling rates show a tendency to advance week after week. There is more interest in hoarding of foreign bank notes than before which is a result of higher commodity prices and rising cost of living against which the average person finds protection, to some extent, by saving in 'parity deposit units', however, many investors prefer to resort to the old practice of putting away their funds in foreign (mostly US) currency although the law is thus broken.

HONGKONG OPEN MARKET RATES  
per US\$100

	Notes		Drafts		T.T.	
	High	Low	High	Low	High	Low
October						
31 .. .. .	6.04	6.01½	6.10	6.06½	6.12	6.08
November						
1 .. .. .	6.07¾	5.98½	6.12	6.07	6.14	6.09
2 .. .. .	6.04¼	6.01¼	6.09	6.06	6.11	6.09
3 .. .. .	6.06¾	6.01	6.09½	6.06	6.10	6.08
4 .. .. .	6.06½	6.03	6.09	6.07	6.09½	6.08
5 .. .. .	6.07	6.04	6.09	6.07¼	6.09½	6.08½



## COMMERCIAL MARKETS

### Hongkong-Canton Trade

The statement recently made by a Chinese trader that although the various routes between Hongkong and Canton have to some extent become unusable, a way would be found to transport goods "for trade we must," describes so exactly the attitude of the Chinese merchant and for that matter of the foreign merchant also, that instead of needlessly asking if transportation is possible it is important rather to find out "by what method" commodities shall be despatched.

The subject of transportation figures so largely in business circles today that its frequent mention in the *Far Eastern Economic Review* needs no apology, for the suspension or impracticability of one route is rapidly superseded by another. Determination to carry on business in spite of every political change or disturbance is the very essence of life to a trader and China by reason of a lack of good roads and railways paradoxically offers oppor-

tunities of conveyance which the more highly organised system of many Western nations could not do. The result is that goods even if in diminished quantity do succeed in reaching their destination.

Hongkong-Canton shipments by steamer have not yet been resumed owing to the Nationalist blockade, but motor junks have replaced them as being able to negotiate channels impossible for larger craft and in spite of the fact that several have been caught by the Nationalist destroyers patrolling the mouth of the Pearl River, this form of traffic can at the moment at any rate, be considered quite successful and the ensuing profit is incentive enough to guarantee a steady stream of motor junks plying to and fro by devious routes. It is undoubtedly this constant movement of small vessels that has kept prices lower than they might otherwise have been. Freight rate by junks is reckoned at \$10 per picul for the trip regardless of the type of article which in view of the risk involved is not too exorbitant a charge. As this traffic is keeping the Hongkong market steady so the prices in Canton, otherwise cut off from the outside world, are in some instances even less than they were immediately before the fall of the city. Flour, industrial chemicals, dyestuffs, medicines and sugar are apparently the most lucrative commodities on the Canton-Hongkong run at the moment.

Transport by land between the two ports is somewhat different. There is no blockade to contend with, but until the British and Chinese authorities come to some agreement over the Kowloon-Canton-Railway rail transport will be severely curtailed. Meanwhile the trade situation in Canton is described as being in general "dead" although some movement is observable especially of farm produce other than rice which is strictly banned by the new administration. Supplies are reaching the Colony from Canton and outlying districts coming by way of Macao, and of course the New Territories, over 2,000 piculs arriving daily while the estimated local consumption is around 200 tons.

Passengers and freight coming from or travelling to Canton have to transfer from the train at Shumchun, which is about a mile from Lo-Wu in the New Territories to a train for Hongkong, all of which is not conducive to smooth trading especially as the customs on both sides of the boundary still operate. The situation within the past few days in so far as the customs are concerned has however been largely clarified with an announcement by the Military Government of the South China Area that though import and export control has not yet been officially taken over, temporary measures were being adopted to tide over the interval. Imports into China recognised as essential are to be allowed in free of duty although the quantity is to be limited; above the stipulated amount, which has not yet been an-

nounced, duty will have to be paid. The duty imposed is to be reckoned in accordance with the Chinese Maritime Customs tariff of 1948 which based the rate at 5% of the invoice value, but whether this is actually so is not quite clear as a shipment of rubber tyres which passed through the Shumchun customs is reported to have been charged with 45% duty on the invoice value. Amongst the essential items allowed in are industrial chemicals, dyestuffs and rubber tyres.

### The Blockade of Shanghai

As far as the blockade of Shanghai is concerned the announcement that the British Navy would defend British cargo vessels outside Chinese territorial waters has immediately resulted in the safe passage of three vessels on their way to Shanghai. It has been stated that the British Navy has always been prepared to carry out this work and that those instances recorded where vessels had been detained by the Nationalist destroyers arose because no intimation of the proposed trip had been given to the naval authorities. Whether this is so or not we are not in a position to say but the fact remains that the safe conduct of three vessels during the past week has lightened the atmosphere considerably. It has been made very clear that it is not the intention nor is it in the province of the British Navy to force the "blockade" and that once within Chinese territorial waters no further protection could be given but the mere fact of the actual presence of British naval vessels in the vicinity is in itself a guarantee that trading relations will be more normal.

### Hongkong-Swallow

The situation in regard to Swallow-Hongkong trade is similar to that existing in other centres, normal shipping is out of the question and traders are almost entirely dependent upon motor junk traffic. Cargo moved consists in the main of cotton yarn, dyestuffs, industrial chemicals and paper. Freight charges are high in view of the risks taken and as much as from \$100 to \$140 per bale of 400 lbs. is charged, but in spite of this additional cost it is reported that a satisfactory profit can still be made.

### Exports of China Produce

The civil war and the subsequent disruption of normal trade is beginning to show its bad effect on commerce generally as the October figures compared with September show all too plainly. There are however, three exceptions, rapeseed oil, tea and antimony, all three of which show a definite increase. There was no record of any exports of antimony during August and September but during October 613 piculs were exported; rapeseed oil and tea should normally show an increase at this time of the year and in the case of the former 1,114 piculs were recorded in October against 500 piculs in September, while tea exports totalled 6,449 piculs in October and 5,283 piculs in September. All other main items showed a decrease, especially

### Unofficial Exchange Rates

Highest & lowest bank note rates of last week in HK\$:-Piastras, forward nominally at 11.90, spot 12.60-12.35. Nica guilders 24-23½. Baht 27 (per 100 currency units), Bank of England notes 15.40-15.30, Australian pound 12.35-12.27, Canadian dollar 5.30-5¼, Malayan dollar 1.83½-1.83, Indian rupee 1.17-1.14, Burmese rupee .78-.77, Ceylonese rupee 1. Philippine peso 2.97-2.94.

### Silver Markets

The highest and lowest prices for bar silver were \$4.75-4.70 per hong-ping tael, Hongkong and other dollar coins \$3.00-2.99 per coin, Chinese dollar coins 3.05-3.00 per coin, and twenty-cents coins 2.35-2.30 per five coins.

Total business done during the week amounted to about \$275,000, mostly transacted between banks and money exchanges in Chinese dollar coins.

The People's Bank in Canton at long last altered the official cross rate of dollar coins to HK\$3 which was about the same as the market rate there.

Aside of the only mint in China now minting coins (in Chengtu) a new one started minting Provincial dollar coins of Kweichow (in Kweiyang). Daily production is about 60,000 dollar coins.



tungoil which is the most important export from China but which, due to disruption of transport, has not been able to flow normally; in September a total of 67,287 piculs reached Hongkong while in October this amount was reduced almost fifty per cent by the arrival of only 36,398 piculs. The figure for tungsten (wolfram) ore of 12,714 piculs exported during September as against 1,539 in October, does not perhaps give a true picture as during September particularly heavy shipments of this item were made to Hongkong in anticipation of the change over in South China and the wish to place this commodity in security. While tungoil stands first on the list of China's exports, cotton yarn comes second. This has also registered a decline during October as compared with September when the figure for the latter totalled 40,761 piculs as against 28,071 piculs for October; of this figure 5,470 piculs was locally manufactured. Bristles fell from 5,031 piculs in September to 710 in October and tin from 3,887 in September to 2,968 in October. Export licences issued during October amounted to 759, as against the September figure of 805.

### HONGKONG COMMODITY MARKETS.

#### Cotton Piece Goods and Cotton Yarn

With stocks of grey shetings very much depleted the position is favourable for new arrivals from Tsingtao, which however cannot be placed upon the market until banking arrangements are settled. Demands are expected from Canton and Swatow in the near future, so that merchants are anticipating brisk sales. Prices of grey sheetings rose during the week: Bellman sold for \$49 per piece, Blue Bedford at \$46.50, Butterfly & Globe at \$51, Double Flying Dragon at \$48.50, Fancy Butterfly at \$52, Flower & Bird 38" at \$50, Prosperous at \$52.50.

Yunnan buyers were interested in cotton yarn taking 1000 bales the major portion of which was Blue Phoenix 20's at \$1208 per bale. As Kunming is now cut off by rail from other districts this cargo will have to be sent by air. Closing prices for 20 counts were: Blue Phoenix \$1360 per piece, Camel \$1240, Double Happy \$1220, Golden City \$1380.

#### Woollen Knitting Yarn

Cantonese buyers were in the market for locally made woollen knitting yarn. The market generally was active and prices showed an improvement: Peacock brand 4 ply rose to \$10.30 per lb. as compared with the earlier price of \$9.10, Golden Tiger brand was sold at \$10.40 and Golden Fleece at \$11.85, while Sze Tze fetched \$9 per lb.; Bechive brand 4 ply with decreased stocks sold at \$18 per lb., Cuckoo 4 ply fetched \$14.50 and Australian 3 ply \$12.50 per lb.

#### Metals

Mild steel round bars due to transport difficulties to the interior, showed no improvement during the week; round bars for local consumption however increased in price in some direc-

tions although at recent indent values little profit was to be made; for instance the indent value of the French product has been increased to £29.3/- per ton. For 40' 1/4" the selling offer stood at \$36 per picul, 5/16" to 3/8" at \$35, 1/2" at \$36, 5/8" and 3/4" at \$32, 7/8" and 1" at \$35, 1 1/4" at \$33. 2" to 3" also at \$33. On the other hand the market for angle bars was favourable and it is anticipated that the market will improve still further; the price for 1/8" by 3/4" was firm at \$50 per picul, 1" and 1 1/4" at \$52, 1 1/2" and 1 3/4" and 2" at \$56, 2 1/2" at \$55 and 3 1/2" at \$50. Square bars were dull and prices dropped: 1/2" sold at \$44 to \$42, 5/8" to 3/4" also dropped from \$40 to \$38, 1" and 1 1/4" stood at \$42. Flat bars were more active and 1/4" to 1/2" and 1" were sold at \$39 per picul. The indent values of mild steel plates have now been raised and French 1/32" is indented at £52.15/- per metric ton c.i.f. Hongkong, 1/16" at £41, 1/8" at £35.10/-, 3/16" at £34.10/-, 1/4" at £31.11/- and 1/2" at £32.18/-; over 200 tons is expected shortly. It is anticipated that with the resumption of work by the Kiangnan shipping yard in Shanghai the demand for mild steel plates will increase. Spot cargo 4' x 8' 3/32" sold at \$62 per picul, 1/2" at \$48. 3/16" to 1/2" was offered at \$47; European cargo 3' x 6' 1/16" was sold during the week at \$60, 3/32" at \$59, 1/2" at \$47, 1/4" and under at \$46 per picul. The indent values of Zinc Sheets have been raised: Polish G5 has gone up from £120 to £127 per ton and G6 from £118 to £124. Shanghai buyers were in the market and prices improved; the selling offer for Poland G5 3' x 8' stood at \$140 per picul with counter offers of \$138 at which rate some transactions were recorded, G6 improved in price from \$130 to \$133, G7 and G8 stood at \$135. Taiwan buyers were interested in Barbed Wire for military purposes and transactions of over 3,000 bundles were effected at \$27 per bundle of French origin 1/2 cwt. packing; a small quantity was also sold at \$30 per picul, the indent price standing at \$22 per bundle. Taiwan buyers also showed interest in Steel Wire Ropes as did buyers from North China: 1" was sold at \$1.80 per lb, 1 1/4" for \$1.65, 1 1/2" for \$1.35, 2" at \$1.15, 2 1/4" at \$1.10 and 2 1/2" at 95 cents. Iron Pipes were dull and prices fell: 1/2" went for 45 cents per foot, 3/4" for 55 cents and 1" for 90 cents. American high speed tool steel was sold during the week in substantial quantities to Tientsin buyers at \$5.80 per lb for industrial requirements. The recent indent price for American tin plate stood at US\$22 per cask with new arrivals being offered at HK\$145 per cask, one lot however was sold at \$123 per cask but this transaction could not be said to register the normal figure. The British winter allocation of tin plate waste has not yet arrived but non-allocation new arrivals were sold at \$88 per cask for 20" x 28" 1 1/2 cwt. for about 30 tons while the forward price for this non-allocation shipment was \$83 to \$84 per cask. Misprint Tin Plate white base was offered at \$53 per cask for spot, while

black base was sold at \$36 per cask thus showing a substantial decrease against previous prices. Electrolytic tin plate 18" x 24" was transacted at the en route price of \$77 per 200 lbs.

#### Paper

Newsprint was active during the week with Tientsin and Shanghai buyers in the market and sales of 31" and 43" in rolls were made at 46 cents per lb.; 50 lb. quality in reams sold at \$24 per ream, the price in Canton being \$35 per ream. Cigarette paper interested South China cigarette manufacturers and prices improved: 29 mm. 6000 m. Ecusta brand with green line sold at \$23.50 per bobbin, Centennial fetched \$19 per bobbin, Smoking Tiger stood at \$21.80, Rene Bollore at \$19.50; 27.5 mm. 6000 m. Ecusta brand with green line improved to \$22.50, Smoking Tiger fetched \$21.50, and Rene Bollore sold at \$19.50 per bobbin; 27.5 mm. 4000 m. Smoking Tiger brand went up to \$14.50 per bobbin. Cellophane prices showed a tendency to improve, French origin 36" x 39" sold for \$75 per ream, British for \$78, Italian and American for \$74, Belgian for \$76 and Czechoslovakian for \$71. Bond paper with watermark 26 lbs. fetched \$19 per ream, a drop of 50 cents, while 30 1/2 lbs. sold for \$21 an increase against the earlier price of \$20.50, and 32 lbs. for \$23.50 a rise of 50 cents a ream; with watermark 32 lbs. fetched \$21 per ream an increase of \$1. Art Paper double face British 85 lbs. rose to \$97 from \$93 and USA 84 lbs. sold at \$86 against the previous price of \$84 per ream.

#### Glass

Notwithstanding the recent increase of 5% in the indent value of French 16/18 oz. glass and of 10% in the Belgian make, the market remained low, with French 16/18 oz. 100 ft. offered at \$25 per case and Belgian 18 oz. 200 ft. at \$56; Czechoslovakian 18 oz. 200 ft dropped to \$51 per case.

#### Dyestuffs

The price of dyestuffs showed an increase with Tientsin buyers in the market; future prospects are considered good. Congo red 210 sold at \$1150 per picul later rising to \$1180, Eire black 647 (USA) rose from \$850 to \$950, direct blue 140 (USA) which at first was offered at \$980 rose to \$1250 and \$1300 due to reduced stocks; Indigo 50% paste 5 catty packing (Nacco), also short of stock, was offered at \$860 and the 50 catty packing at \$700, sulphur black R conc. 693 (Nacco) which was offered at \$380 per picul rose toward the closed of the market to \$425. indigo paste 20% paste (ICI) in 15 kilo drums stood at \$200 and in 30 kilo drums at \$180 per picul.

#### Cement

The first shipment of 150 tons of Japanese cement since the lifting of the embargo arrived during the week and was offered at \$122.50 per ton ex-ship; a further shipment of 200 tons is on its way. In the meantime the local demand for cement totals around 12,000 bags per day and the arrivals from Japan are all the more welcome owing to the cessation of deliveries of essential raw materials from Kwangtung for



locally manufactured cement. The Green Island Cement Co. now procures the bulk of its principal raw material from Indochina, Japan and other neighbouring countries and in consequence of the additional unforeseen expense incurred in transportation and other charges the ex-godown price of their cement has had to be increased: Emeralcrete rapid hardening cement in bags of 112 lbs. has been raised to \$7.80 from \$7.50 nett per bag, Emerald brand Portland cement has gone up to \$6.80 from \$6.50 nett per bag of 112 lbs. and to \$5.90 from \$5.60 per bag of 94 lbs.; Snowcrete imported British white cement still stands at \$55 per drum of 375 lbs. nett and Snowcem cement paint at \$58 per steel drum of 112 lbs. nett ex-godown; fortunately sufficient stocks of all these cements are on hand to take care of normal requirements for the time being. As a result of the foregoing increases in price, the market hardened and Taiwan 1 cwt. packing improved from \$6.70 to \$7 per bag while Indochina Red Dragon with reduced stocks sold at \$7.10 per bag of 94 lbs. as against the previous \$6; Belgian Mailed Fist brand in 1 cwt. bags which had been damaged by long storing was offered at \$5.60, and a very old stock of British cement Staggsack brand was offered at \$5.70 per 1 cwt. bag; notwithstanding the bad condition of both these brands a certain amount was sold at \$4.80 and \$5.30 ex-godown respectively.

#### Vegetable Oils & China Produce

The tungoil (woodoil) market with small supplies arriving has been steady and sellers have held to their prices although sales were few a small quantity selling at \$174.50 per picul. Events are however pending in the near as well as the distant future which must ultimately affect the production and sale of tungoil. One of the most important tendencies is the gradual decrease noticeable in U.S. purchases of this commodity, which is used in varnishes and paints as a quick drying medium, as a result of the increased home cultivation of tungoil. The tungoil tree was first cultivated in the USA a number of years ago and already production has reached the figure of 10 million pounds a year and it is foreseen that as this cultivation extends American need of the Chinese product must correspondingly decrease. For the present, however, falling demands are offset by difficulties incurred in obtaining supplies, as the fall of Canton and the extension of the civil war to Kwangsi province which is the main source of supply for tungoil is slowing up arrivals and according to the latest reports even air transportation from Chungking has been suspended which will block another supplying centre from making deliveries. Local stocks are now said to have fallen below 200 tons. From cabled information tungoil in London is selling at £212 per ton, while in New York the price is US\$22.5 per lb. Fortunately from the point of view of markets there is a brighter side to the picture as there is a possibility that the Western Zone of Germany may be requiring supplies of tungoil, sellers are

taking this possibility into consideration and at present are not showing any eagerness to dispose of their remaining stocks while negotiations are in progress with the German authorities. Small transactions took place during the week at \$185 and \$186 per picul as against the earlier price of \$178 with export permit, and in view of the circumstances it is expected that the price will go up to \$200 per picul as local stocks have fallen below 200 tons. Teaseed oil 5% acid 1st quality remained steady though with falling demands, being offered at \$174 per picul as against the previous figure of \$168. Singapore coconut oil was offered for spot at \$107 and \$108 per picul and the Thailand product at \$105. Aniseed oil stood at \$820. Cassia oil fetched \$1450 per picul.

The price for cassia lignea showed no improvement, 60 catty packing selling for \$61 per picul as against \$65 earlier; this price however was for small transactions, bulk sales standing at \$60 per picul, Tunghing cassia whole sold at \$97 but fell to \$96 per picul; cassia bud was transacted at \$94 per picul. Tientsin buyers showed a declining interest in China rosin, and Shanghai buyers were found to have passed their orders to Canton direct where the price quoted was \$13.50 per picul; in Hongkong the price with transportation and overhead charges would be on arrival \$65 per picul. Gailnuts were required for export to Great Britain and transactions took place at the price of \$96 per picul for the Liuchow, Kwangsi, product and at \$78 per picul for the South Korean. Germany was interested in rattan core and negotiations are proceeding in respect to a supply of 3000 piculs; the local price has improved by about 20% as compared with early in October; 1st quality was offered at from \$160 to \$170 per picul.

#### Ores

Exports of tungsten ore (wolfram) during September to the United States amounted to 5969 piculs to the value of \$1,571,828 or 66% of the total exports of this ore for the month, and a fall in prices on the local market took place as it was considered that this large quantity would practically complete US requirements for a time. South Korean standard quality stood at \$210 per picul and China 65 degrees fell to the same price.

The USA took all the exports of tin ingots of Chinese origin for September which totalled 3334 piculs amounting to \$2,018,376. Anticipated difficulties in obtaining future supplies caused a rise in prices: Kwangsi (Ho-Yuen) 99.75% rose to \$680 per picul and Yunnan 99% to \$673; China tin 60% rose to \$420 per picul.

#### Rubber

North China demands for raw rubber having been satisfied with shipments last month which amounted to 38,545 piculs of the value of \$3,554,357 the market became more or less inactive, Singapore raw rubber standing at \$210 and Java at \$300 per picul. The price of No. 1 smoked rubber sheets stood at \$120 per picul, and No. 3 was offered at \$107 per picul.

#### Raw Silk

According to reports heavy stocks of silk amounting to approximately 10,000 bales are held in Shanghai awaiting the resumption of normal shipping. A small consignment of about 120 bales of 1 picul each arrived in the local market for re-export to Sweden and were negotiated here at "AA" \$2,360 per picul for 20 bales, "A" \$2,280 for 30 bales and "D" \$2,100 for 15 bales; "C" was offered at \$2,180 per bale but without sales. It is evident that as soon as shipping is assured the Shanghai stocks will be moved but until then local buyers are not likely to show much interest although spot offers would undoubtedly find interested buyers. A further consignment of 70 piculs arrived from Shanghai recently, as well as approximately 100 piculs from South Korea; the Shanghai cargo was offered at "AA" US\$3 per lb, "A" US\$ 2.85 and "B" US\$2.75; as for the Korean cargo the quality was reported to be inferior to both the Shanghai and Japanese while selling prices were above the Shanghai. Chungking supplies were very short and went to local manufacturers at \$2,200 per picul, while the Japanese raw silk of 20-22 deniers was offered at \$3,000 per picul or \$2.70 per lb, but exporters found this price too high to interest overseas buyers and no transactions were reported.

#### Tea

The recent growing demand for black and green tea from South Africa, combined with depleted stocks, has caused the price of the former to increase by about 30% compared with last year. Owing to conditions in China, supplies of tea at present come almost entirely from Taiwan. During the week green tea 1st quality fetched between \$330 and \$340 per picul, 2nd quality was sold at \$290 and 3rd quality reached \$250. Demands from the US were weak: Broken Orange Pekoe was offered at \$260 per picul for 1st quality and \$240 for 2nd quality.

#### Fresh Fruit

The fruit market was firm during the week with a general all round increase of \$2 per case. New shipments from America included 4,980 cases apples, 5,420 cases oranges and 3,320 cases grapes. Sales were effected at \$27.50 per case for apples, \$33 for grapes (red) and \$34 (black); Sunkist oranges went for \$52 for 200 counts, \$52 for 220 counts, \$48.50 for 252 counts and \$44 for 392 counts; Diamond brand "delicious" apples realised \$33 per case.

#### Beans

Soya beans were active during the week, with good future prospects. A shipment of them on arrival sold for \$44 per picul and the price later improved to \$45 and \$47 with sellers holding firm at this price; later the price rose to \$48 on a small transaction. The expectation was that eventually \$50 would be reached, but this was exceeded in a sale of 200 bags 1st quality to US interests at \$51 per picul. Kalga green beans with short term delivery also showed an improvement and sales were effected at \$56 per picul. North China red beans fetched \$37.50 and



\$38 per picul. Shanghai black beans sold for \$80 per picul.

A quantity of beancake was purchased by Taiwan buyers at \$30.80 per picul a drop \$1.50 per picul against the earlier price and it is anticipated that a further fall will take place in this commodity.

#### Pepper

The local pepper market was dull with few supplies from Singapore, due to the fact that overseas buyers are going direct to Singapore for their supplies. Buyers from Central China were interested during the week, with the result that the price of white pepper rose from \$1,300 to \$1,400 per picul while black pepper of heavy quality sold for \$850 per picul and light quality for \$650. The London pepper market is reported completely dead pending clarification of the export tax from India.

#### FOREIGN TRADE OF INDONESIA

Exports:—Exports from Indonesia reached a postwar peak during June 1949, totaling 733,748 metric tons valued at 129,838,000 guilders (US\$49,338,000), compared with May exports of 630,574 tons valued at 98,507,000 guilders (US\$37,432,000). The previous highest postwar month was April 1949, with exports of 656,923 tons valued at 122,693,000 guilders (US\$46,623,000).

The increase by value of June 1949 exports over May 1949 of 31,300,000 guilders was largely accounted for by increases in petroleum exports of 10,000,000 guilders; tea, 6,800,000; copra, 6,000,000; tin, 4,600,000; and rubber, 4,300,000, though partially offset by decreases in palm oil and tobacco of 1,700,000 guilders each.

The volume of exports for a few major items during June 1949, with May 1948 figures in parentheses, was as follows: Petroleum, 569,403 tons (466,418); bauxite, 51,598 tons (74,421); rubber, 27,591 tons (23,557); copra, 35,432 tons (22,637); and palm oil, 5,228 tons (7,189).

Petroleum accounted for 34.3 percent by value of total Indonesian exports, followed by rubber, 18.1 percent; tin ore, 13.5 percent; copra, 12.6 percent; tea, 6.3 percent; palm oil, 3.7 percent; and tobacco, 2.2 percent.

#### Indonesia's Exports, June 1949.

Item	Weight (metric tons)	Value (000 guilders)
Total .....	733,748	129,838
Rubber .....	27,591	23,457
Copra .....	35,432	16,374
Tea .....	3,810	3,182
Palm oil .....	5,228	4,771
Tobacco .....	570	2,876
Kapok .....	598	983
Rattan .....	1,413	669
Hides and skins .....	167	626
Coffee .....	318	422
Nutmegs and mace...	233	307
Petroleum .....	569,403	44,602
Tin and tin ore .....	3,051	17,510
Bauxite .....	51,598	733
All other .....	34,336	8,326

#### Reports from South Korea

##### TRADE

There were no Korean exports to Japan immediately following conclusion of the Korea-Japanese trade agreement, but subsequent negotiations have resulted in the following new arrangements for the exportation of Korean commodities to Japan:

Item	Quantity	Value (US\$)
Laver	3,700,000 bunches	1,700,000
Sprats	450 tons	150,000
Dried shrimps	40 "	15,000
Graphite	9,400 "	280,000
Fluor-spar	3,000 "	114,000
Tungsten	528 "	550,000
Total .....		2,809,000

An unbalance of foreign trade has prevailed in Korea since the liberation. A barter system seemed to be the only possible method of carrying on foreign trade, as foreign exchange rates were not determined and formal trade agreements could not be concluded. This system will be changed to cash-carrying in the third quarter of the year.

Following establishment of the new republican government has year, it was planned that trade would be changed from predominantly government to private trade so as to restore normal trading conditions for Korea. However, government trade up to the end of June, this year, still assumed considerable proportions. ECA supplies imported during the first half of the year amounted to \$72,000,000, while exports to the United States and Japan totalled US\$5,108,000 and exports to Hongkong reached HK\$488,000. There have been little other private imports, and the ordinary government trade during the period con-

tinued to show an excess of exports over imports, excluding ECA imports.

Private trade during the first half of 1949 included 5,050 million won of exports and the final excess of imports over exports reached 1,940 million won. Among the commodities of export, marine products proved predominant, followed by mineral products. The former represented 70% and the latter 12% of total exports. Exported marine products consisted 3.6% of agar-agar, 27.4% of dried laver, and 30% of cuttle-fish. Japan and Hongkong received 60% of total exports.

Imported goods during the period included 1,110 million won of cotton textiles, 940 million won of raw rubber, 350 million won of caustic soda, 290 million won of dyes, and 250 million won of woollen textiles. Total imports amounted to 6,990 million won of which the above-mentioned six kinds of goods represented about 50%. Paper imports amounted to 1,844 million won; fabrics 1,530 million won; oriental medicine and caustic soda, 1,113 million won and raw rubber 590 million won. Among building materials, urgently needed in the economic reconstruction of Korea, imported during the period were 9,600,000 won of spinning and weaving machines and 10,910,000 won of lathes. Building materials totalled no more than 27,670,000 won, only 4% of total imports.

These facts would indicate that Korea's foreign trade is not well geared to industrial construction and requirements at home. Taking advantage of the lack of a definite government trade policy, foreign merchants managed to control large amounts of trading finance. It is hoped that the

Imports:—Imports into Indonesia during June 1949 totaled 130,521 metric tons valued at 119,504,000 guilders (US\$45,412,000), representing a decrease of 37.7 percent by volume and an increase of 12.8 percent by value over May 1949 imports of 209,597 tons valued at 105,987,000 guilders (US\$40,285,000).

The decrease in weight of June 1949 imports as compared with May 1949 of 70,000 tons was more than accounted for by decreases in petroleum imports of 77,000 tons, rice 11,400 tons, and milk and products, 1,600 tons, being partially offset by increase in imports of wheat flour, cotton piece goods, cement, and passenger cars, trucks, and busses. The value of the imports increased 13,600,000 guilders in that period, being accounted for by increases in the imports of cotton piece goods valued at 14,500,000 guilders; passenger cars, trucks, and busses, 4,700,000; and wheat flour, 1,100,000—partially offset by decreased imports in rice, petroleum, cotton yarns, and milk products.

Cotton piece goods accounted for 21.5 percent by value of total imports, followed by engines of all kinds, 7.2 percent; passenger cars, trucks, and busses, 6.1 percent; rice, 4.4 percent; petroleum

products, 3.5 percent; milk and milk products, 3.1 percent; electrical machinery and cable, 2.7 percent; cotton yarns, 2.4 percent; and wheat flour, 2 percent.

#### Indonesia's Imports, June 1949.

Item	Weight (metric tons)	Value (000 guilders)
Total .....	130,521	119,504
Milk and products ..	3,639	3,720
Fish (all kinds) ....	509	770
Rice, hulled .....	9,504	5,232
Wheat flour .....	6,292	2,351
Vegetables (all kinds)	675	846
Tobacco .....	164	689
Fertilizers .....	2,832	790
Cotton yarns .....	529	2,890
Cotton piece goods and sarongs ....	3,843	25,744
Gunny bags .....	628	1,071
Petroleum products ..	43,095	4,164
Cement .....	15,167	1,610
Structural steel and roofing .....	1,107	1,030
Engines .....	3,007	8,650
Office machinery .....	85	1,012
Electrical machinery and apparatus, including cable. .	1,133	3,220



government will take prompt and effective measures to protect the private trade of Korea. In order to develop private trade, it also is necessary to promote indigenous production and stabilize social life.

For the purpose of developing normal foreign trade in Korea, Presidential Ordinance No. 132 was issued on June 13. It contained regulations governing dealings in foreign exchange in connection with foreign trade, but it subsequently was repealed by Finance Ministry Notice No. 5 on July 28. The fact that Korea has not yet established its foreign exchange policy tends to show economic uncertainty. Maintenance of a foreign exchange standard would demonstrate strength in the Korean economy; the success of an independent economic policy depends on the control of foreign exchange. It goes without saying that the strength or weakness of a foreign exchange policy will affect to a great extent the future of Korea's foreign trade.

#### GOVERNMENT FINANCE

During the month of July, the new income tax bill and the new business tax bill were passed by the National Assembly. It was reported that a monopoly system will be applied to alcoholic beverages. The government made known an outline of the projected government budget for the next fiscal year, while the additional budget for the current fiscal year was withdrawn. In the United States, an economic aid plan for Korea was submitted to Congress, while an arms aid program including arms aid to Korea also was presented to Congress.

The revised income tax consists of only two categories, the ordinary and the special income taxes. The Class A tax in the former income tax law was redesignated as the juridical person tax and has been separated from the income tax. The ordinary tax, according to the revised act, is applicable to those in the former Class C income categories which are regular and comparatively permanent. A special income tax, according to the new act, is applicable to the former Class B incomes, non-business loan interest of the former Class C incomes and other temporary incomes.

Taxable levels for the special tax, on the whole, have increased, while state protection will be accorded corporate enterprises contributing toward the economic rehabilitation of the country. The lowest taxable point of the ordinary income has been increased from the former 25,000 won to 30,000 won, while deductions for dependents also have been increased from 1,000 won per capita to 3,000 won. Dependents include disabled persons and those over 60 or under 18 years of ages. Among the objects of ordinary income tax, the tax rates for the working class have been greatly decreased; a man with three dependents who earned 75,000 won in 1948 will be exempt from the tax. On the other hand, a 50% tax will be levied on one who earns more than 1,600,000 won a year.

### Survey of Current Economic Conditions in Japan

**Production:**—An all-round decrease of production was registered by August indices except electrolytic copper, galvanized sheet iron (among capital goods) and staple fibre products (in consumption goods). The reason was in part seasonal such as severe drought during the summer months for instance. But partly it was a result of the deflationary shift of domestic economy blunting the effective demand of consumers, expansion of bank credits. The decline of textile production, above all, indicated the difficulty confronting the industry that has constituted the backbone of national economy. A decrease of orders from overseas customers was directly responsible for it.

	August	July	August, last year
Capital goods ....	310	313	186
Consumption goods ..	197	202	162
Average .....	253.5	257.5	174.0
(1947, monthly average=100)			

**Power:**—The output of coal in August dropped 6 points compared to the July statistics, which was attributable to a seasonal cause rather than current complications of the coal price. Power plants were crippled by the shortage of water as has often been the case in summer months, but only too acutely this year. Early last winter there had not been sufficient snow in the central mountain region of Japan. The high levels of the coal price also obstructed full operation of thermal plants, and consequently they had to curtail output considerably.

	August	July	August, last year
Coal output .....	130	136	112
Power output ....	103	122	105
Overall indices ..	138.6	158	122.6
(1947, monthly average=100)			

**Money and Government Finance:**—The tempo of note expansion has been slowed down, the August (month-end) figure eclipsing that of July only by ¥87,000,000. The reason was that the proceeds of Treasury food notes amounting to ¥8,900,000,000 retired in the course of the month flowed back to the Bank of Japan and in that served

to neutralize the excess of government payments totaling ¥9,000,000,000 during the corresponding period. The increase of loans amounting to ¥16,000,000,000 furnished by the Bank of Japan was covered by recalling the ear-marked funds in city banks of the central bank, and further by funds earned through the increase in people's savings. These developments should be construed as indicating that the note issue is manifesting the typical pattern of "disinflation." Factors checking the expansion of the note issue, for instance absorption of funds by the Counterpart Fund, are satisfactorily counterbalanced by a moderate expansion of loans furnished by the bank of issue.

	August	July	August, last year
Bank of Japan notes .....	205	205	177
Loans from the Bank of Japan ..	191	149	98
Deposits in city banks .....	914	865	438
Loans from city banks .....	520	489	241
Department Store sales .....	676	712	443
Bills-clearing ...	617	655	337

(1947 monthly or month-end figures average=100)

In August the revenue of and expenditure from the national government finance were (in billions of Yen):—

Revenue Expenditure			
General Account ..	367	342	
Special Account ...	840	955	
Excess of Payments .....			91

To account for the main causes responsible for the excess, one may point to the redemption of Treasury food notes and the expected release of funds by the Deposit Bureau, the Ministry of Finance, amounting approximately to ¥4,300,000,000.

The difficult business outlook and the scarcity of reliable objectives of investments created a strong concentrating tendency among banking investments which have become more apparent than at any time before. Meanwhile inferior dealers were more than ever cognizant of the straitness of the road to bank credits.

Prices:—Relative price indices are:—			
	August	July	August, last year
Capital goods ....	147	155	165
Consumer goods ...	144	145	146
Free prices .....	147	150	154
Official prices ....	490	467	331
CPI indices .....	284.2	276.8	224.8
(1947, monthly average=100)			

Index number for free market prices dipped again in August, but a considerable rise was registered by the CPI index numbers during the same period. The rise was due to the revision of official prices, brought on by following the government policy of economizing on the expenditures for price subsidies. A counter-wise departure of official price and free market prices, the former being on the rise while the latter were falling, has been one of the note-worthy developments dating from more than a year ago.

The former Business Tax Law has been revised so that establishment of a workshop does not constitute a factor in determining taxation, and restaurants have been separated from "sales business" and made subject to heavy taxation. In the past taxation was based on the actual income of the past year; in the new law, it is based on the income of the present year. In general, tax rates and the lowest taxable points have been increased so as to conform to the existing economic conditions.

Loans to the government in June amounted to 11.3 billion won while Treasury deposits including proceeds from ECA supplies, reached 7,750 million won. The adverse balance was 3,550 million won.



**Stock market:**—After the mid-July recession, prices began to pick up towards the end of August. Sizeable gains were enjoyed by almost the entire list of stocks during the whole month. The reasons were easing up of control on the securities finance and favourable recommendations made by the Shoup mission. According to the general expectation, prices were considered likely to recover from the bottom they had dipped to under various deflationary setbacks.

	August	July	August, last year
Textiles .....	180	168	400
Chemicals .....	540	513	252
Transportation ..	372	332	149
Basic Industries ..	359	329	155
Trade .....	87	73	62

(1947, monthly average :100)

**Outlook:**—One estimate of treasury receipts and payments in September presumes the revenue to total ¥33,500,000,000 in the General Account including taxes of ¥31,000,000,000, and in expenditure ¥41,600,000,000, the revenue and expenditure on the Special Account are expected to reach ¥87,000,000,000 and ¥83,100,000,000 respectively. Thus all told, the excess of government spending is presumably in the neighbourhood of ¥67,000,000,000; of which the amount for the retirement of the food notes amounts to ¥61,000,000,000.

Probably the actual excess will not be more than Yen 600,000,000 thus bringing no further momentum to the expansion of the note issue. This is because redemption will be carried out through the Bank of Japan. The existing monetary stringency will be relaxed soon by the release of the Counterpart Account fund, easing up of lending terms or even by positive market operation of the Bank of Japan.

An attempt to predict the situation of industrial production should measure, first of all, the shortage of money prevailing among industrial circles. It is hoped that the monetary embarrassment will be removed so that production may improve in some industries especially those turning out export goods, but only so far as they are standing on a solid basis of management.

On of the apprehensive indications is that a decline of consumers' demand is in prospect. It has been frequently pointed out that consumers were refraining from shopping. Owing to a steady price decline and lift of official control on many commodities, they have assumed the practical wisdom to wait till further price decline could reduce their household spending. As long as this consumers' attitude of economizing on additional spending remains unchanged, any hope for a rapid expansion of production is not warranted.

Business circles, especially those connected with overseas trade, are keeping watchful eyes on the progress of trade talks with the sterling area which has been at a standstill these recent weeks. One is also looking with much interest to the forth-coming annual meeting of the International Monetary Fund.

## Sterling Devaluation and the Japanese Economy

### General Outlook for Business

The Japanese business outlook is thoroughly confused and running to extremes in optimism and pessimism. Business is bound to improve feel the optimists because: 1) rice deliveries to the government will start in the immediate future, and with government payments amounting to some ¥200 billion or more, the prime cause of depression—tight money—will be removed; 2) export trade will pick up with the export season, as witnessed in this year's score of \$110 million in contracts for January alone—and although the pound devaluation brings complications, trade with the sterling area should improve as a result of the Anglo-Japanese trade talks which have now ended; and 3) the salubrious effects of the recommended tax reform will start to be felt in all phases of the economy.

The pessimists see the situation in an entirely different light. They believe that the government rice payments will not promote any effective demand because part of the money will go to redemption of farm loans while the remainder will be hoarded in cash for tax payments, with negligible spending by the tight-fisted farmers. Then, with the turn of the year, government tax collection will again be intensified to the detriment of purchasing power. For, although tax collection is being spread more evenly throughout the year, the heavier rates will cause the actual amount of collection during the January-March period of 1950 to equal that during the corresponding period in 1949 during which half of the annual tax revenue was collected.

On top of all this has come the devaluation of the pound, which in no way can be seen as beneficial for Japan's export trade. Devaluation was carried out for the purpose of increasing exports from the sterling area; and it would be meaningless if imports from Japan were to be encouraged. The ill effects of the cheaper pound sterling will be immediate and sharp. This decline in exports, coupled with the sluggishness of effective demand at home, permits only the gloomiest of forecasts for Japan's economic future.

Although the middle road is by no means always justifiable the views explained above are definitely immoderate, at least in so far as business conditions are concerned. The most reasonable view appears to be that which admits considerable difficulties for some months to come, but which predicts stabilization or some improvement before the end of the first half of 1950.

The effects of government rice payments, of course, cannot be disregarded as a beneficial factor. Doubtless, the farmers will be unwilling to spend, but instead of hoarding, as was their practice heretofore, much of the money will probably be deposited. This will make for an easing of the tight money situation.

However, the effectiveness of the antidote is open to doubt. Banks and financial institutions will be hard put

to find reliable borrowers and will, as likely as not, use the money for repaying loans from the Bank of Japan. Money in circulation will, therefore, show no substantial increase; and if the situation is to be improved, either large government projects must be initiated on the strength of the aid-to-Japan counterpart fund or loans from this fund must be advanced directly to somewhat doubtful private enterprises.

The devaluation of the pound sterling and related currencies is a serious setback; and there can be no doubt that the effect on Japan's export trade will be bad. In fact, the yen may have to follow suit, although there is no way of telling whether or not such a measure is possible. In any event, the setback is an immediate one which, together with the coming tax collection drive, is bound to keep business from improving at least until March or April next year.

It must, however, be noted that the bottom appears to have been reached in the business recession in the United States. The pound sterling devaluation, although unfavourable to United States exports, appears unlikely to affect business conditions which, following upon the readjustments undergone between March and July, this year, seem to be taking an upward course.

Although the sterling area devaluation is bound to have an adverse effect on Japan's exports, if devaluation will have a beneficial effect on the economies of the sterling area nations, then trade with these places should ultimately pick up. This rebound may occur perhaps in less than a year's time.

Moreover, some decision should be made regarding the yen rate not later than next spring, by which time the devaluated currencies will have attained some stability and the right level for the Yen will be discernable.

The Shoup recommendations on tax reform will begin to show their effects about this time, much to the benefit of business. However, if the yen is devaluated there will be divers complications in Japan's price structure. The conclusion is that major changes may be expected in the general business situation around the middle of next year.

### Possible Yen Devaluation

The effects of the pound sterling devaluation are far-reaching. The pound sterling still remains the soundest currency next to the United States dollar, although its position has been weakened since World War II. The devaluation of the pound sterling has precipitated a general rush, by France, Sweden, Holland and a host of others, to scale down currency values. But, although the effects of Britain's action on the economies of these nations will vary according to their individual circumstances, the results, generally speaking and in the long run, will doubtless be salubrious. Devaluation should, therefore, be welcomed in that, far from being a hindrance, world trade as a whole will benefit.



To explain, the purpose of the recent series of devaluations differs diametrically from the frenzy of currency slashes and tariff boosts that swept over the world in the late twenties; for, the promotion of international trade, not its restriction, is predicated. This is underscored by the fact that Britain's action not only followed the American advice but also received the International Monetary Fund's sanction, and since it can be taken that the devaluations following suit were likewise under written, the ultimate purpose must lie in multilateral development of international trade through readjustments of currency values that had become too high as compared with that of the U.S. dollar. This view is further supported by the conciliatory attitude shown by the United States towards Britain during the recent tripartite money talks in Washington.

Pursuing this line of thought, it becomes manifest that great strides should be made, through the devaluations, towards freer exchange transactions and the easing or lifting of restrictions on international trade. The currency slashes will no doubt lead to the ending of import restrictions and exchange controls, and the lowering of tariff rates in the European nations. Therefore, the series of currency devaluations touched off by the cut in the pound sterling rate appears beneficial to world economy and will doubtless also affect Japan's foreign trade in a favourable way.

This, however, is the long-range effect which will only become apparent after perhaps a year or more. The immediate prospect is that of considerable confusion resulting from the inevitable adjustments; and as far as Japan is concerned the repercussions will be serious. For, with the sole exception of the United States, present export markets are all located in the devaluated area. The same holds true when it comes to the development of new markets in the U.S. dollar area. Thus, with Japan, the immediate and long-range effects offer a sharp contrast. This being so, the resolving of the contradictory factors comes up as the most urgent issue. Ideally the solution would appear to be the tidying over the transition period until international trade is firmly re-established, first by removing the obstructions to export trade, among which are: "blind" selling with no representation abroad and profiteering by buyers; and the excessive cost of shipping in foreign bottoms; and second by stringent enforcement of cost reduction through rationalization of enterprise. If the blow can be thus ridden out, the difficulties will gradually disappear, and the way to comparative prosperity may be opened up.

The above, however, is but an idealistic view of the situation: it will not be so simple in actual practice. In the first place there is not certainty regarding the elimination of the obstructions that are now hampering export trade. Secondly, even should the obstacles be cleared away, the Japanese should be

hard put to compete with British goods marked down by some 30 per cent, because there are definite limits to the extent to which rationalization can be pushed.

Ever since the adoption of the Y360 to the U.S. dollar rate of exchange, all export manufacturers have struggled to slash production costs, and of late it appears that quite a few have succeeded in passing the break-even point. But there are still a good many who are forced to operate at a loss; and further slashing of costs would endanger their survival. These industries will be forced to reduce expenses in the midst of throttled output due to diminished sales overseas.

It is, therefore, clear that Japan cannot possibly wait for world trade recovery, however certain. Japan will in all probability be obliged, as were those countries that followed Britain's example, to lower the present Y360 to the U.S. dollar to a more reasonable level. Objections to this reduction will be raised in various quarters. It will be argued that devaluation will hamper rationalization which has only just begun to show some progress. Warnings will also be heard to the effect that the high cost of paying for essential imports will be reflected in higher prices and inflation. These contentions are not entirely unjustifiable. Nevertheless, when a broader view is taken, it can be said that these objections are the result either of undue anxiety or of insufficient weighing of the various causes and effects. For instance, with rationalization, ever since the announcement of the standards for assets revaluation all enterprises have discovered that in order adequately to cover depreciation the utmost effort must be directed towards efficient production; and so, even should the yen be reduced in value, business could not possibly afford any delay in rationalization. With the inflation scare, it can be easily seen that the disadvantages of higher prices have not been properly weighed against the extreme difficulties likely to result from the loss of export earnings.

#### Sterling Devaluation & Japanese Exports

**RAW SILK:**—Silk exports have been increasing of late to Britain, Hongkong, Egypt, Australia, etc. Whereas 6,740 bales were shipped to the United States in the January-August period this year, shipments totalled 6,011 bales to Britain, 1,908 bales to Hongkong, 1,727 bales to Egypt, 750 bales to Australia, 2,434 bales to Switzerland, 120 bales to Syria and 569 bales to Indochina. In this light, the recent devaluation of the British and allied currencies will have far-reaching effects on silk trade. Because silk exports barely break-even at the rate of Y360 to the dollar and there is not much leeway for further cost cutting, exports to the sterling areas are most likely to suffer a setback unless the Y360 rate is scaled down.

**RAYON FILAMENT & STAPLE:**—The export floor price of 120-denier rayon filament yarn is set at Y23,760 (\$66) per lb. or far higher than the domestic price of Y16,000. Assuming that the floor price is cut down by about 30 per cent as a result of the pound devaluation, the new level would be Y16,132 or a little higher than the domestic price. The import cost of pulp, on the other hand, will fall off about 30 per cent as the Scandinavian countries have devaluated their currencies, and this will bring down by 6 per cent the output cost of rayon. The cost can further be reduced if domestic pulp is used. Such being the circumstances, there is no fear that rayon exports will be hampered seriously. Almost the same can be said of rayon staple exports. In the case of Bemberg rayon, prospects are more encouraging for the following reasons: (1) Material cost is 50 per cent lower as cheap linter pulp is imported from the United States, (2) exports can be switched over to the United States from Australia because demand in the former country is rising of late; (3) there is much room for cost cutting.

**COTTON GOODS:**—If the present system of pricing imported cotton by 34.5 per cent higher for exports to the sterling areas is abolished, the adverse effects of the pound devaluation will be alleviated. Technically speaking, there is some room for further rationalization. Japanese cotton spinners, therefore, appear to be confident that they will be well able to compete with foreign interests.

**IRON & STEEL:**—In the April-June period export contracts for iron and steel products totalled 31,000 metric tons, of which 17,000 metric tons or 55 per cent went to the sterling area. Contracts with Africa aggregated 6,700 metric tons (zinc sheets); with Australia, 5,500 metric tons (of which one half is steel bars and the other half is composed of steel sheets and zinc sheets); with Hongkong, 2,200 metric tons (of which zinc sheets comprise about 50 per cent and steel plates and tubes the other half); with Egypt, 1,500 metric tons (of which sheets, tubes and zinc sheets each represent one-third).

Owing to the pound devaluation, trade outlook is now promising only for a very few items which can break-even at the rate of about Y250 to the dollar. Moreover, due to the price subsidy abolition, iron and steel prices were raised accordingly before the recent devaluation of the pound. The producer price of pig iron, for instance, is Y17,000 per metric ton or \$47-48. The c.i.f. price of Indian pig iron, on the other hand, will decrease to \$40 from \$55 as the rupee is cut down by 30.5 per cent, and that of Malayan ore will slip below the \$13 mark, whereas the import price of Hainan ore is set at \$16. The c.i.f. price of Indian coking coal will be about \$16-17 compared with the average \$23 of American coal. If materials were to be imported from the sterling area at lower prices, Japan would be able to export steel products in competition with foreign nations.



**SHIPS:**—Japanese shipbuilders are now enjoying a boom because, in addition to 15 ships under construction for export purposes, the fifth postwar building program is under way. Orders have come from abroad for two reasons: (1) British shipbuilders cannot receive foreign orders as they are fully occupied with domestic demands, and (2) the building cost is considerably lower here than in Britain and the United States. It is to be noted, however, that export ships are being built through government subsidy in utter disregard of the Y360 rate. But the Y360 rate will be applied to export ships in the future after the ships under construction are completed, and the building cost will rise considerably. The situation will become more unfavourable because of the pound devaluation, although there is no apprehension about an immediate slump as long as British shipyards are operating in full for domestic needs.

**ROLLING-STOCK:**—When the Y360 rate was adopted, a good deal was anticipated of rolling-stock exports. Transactions, however, have so far been rather inactive, although a contract is reported to have been concluded for the second shipment to Thailand. Many inquiries have come from Pakistan, but no contract has been made. Japanese rolling-stock manufacturers appear to expect much from the Chinese market, but political conditions there still remain unstabilized. Prospects have become more bleakly than ever due to the pound devaluation.

**BICYCLES:**—Bicycles will be one of those items which will be hardest hit by the pound devaluation as Japan's best customers, India, Pakistan and the Netherlands East Indies, are all in the sterling area. It is said, however, that the recent shrinkage of bicycle exports is due not so much to high prices and inferior technique as to import restrictions by the sterling area countries.

**COPPER:**—Since June, this year, about 15,000 metric tons of copper have been shipped mostly to Belgium, the Netherlands and some areas in the sterling bloc. There is some fear that as a result of the pound devaluation, the export price will advance to the extent where shipments will be hampered. There is no need of pessimism, however, because copper is supplied to world consumers from the dollar area, particularly the United States, and there is no big source in the sterling bloc.

**CEMENT:**—Cement exports, which had aggregated 50,000-60,000 metric tons every month, dropped to the 25,000 metric ton mark in August, and no shipment was made in September. Because overseas markets are Hongkong, India, the Netherlands East Indies, India and Pakistan, the pound devaluation will be a big damper. The f.o.b. export price (\$16 or Y5.120) has thus far been Y970 higher than the domestic sales price of Y4.150, but this difference will disappear due to the pound sterling devaluation. The possible adverse effect, however, will be neutralized considerably if export trade is switched over from a f.o.b. to a c.i.f. basis.

## Japanese Financial & Trade Reports

### BLACKMARKET PRICES

Blackmarket prices declined in August showing the index of 803 (Sept. 1945=100) in consumption goods, a 2.5 per cent drop compared to the preceding month. The ratios of the price drop in the recent months were 1.1 per cent in May, 0.2 per cent in June, and 0.8 per cent in July. The drop in August thus exceeds those registered during the two months before. Consequently blackmarket prices were approaching the official price levels of corresponding commodities with a steady tempo. Whereas blackmarket prices, on the average, stood at 2.5 times the official prices in July, the difference was reduced to 2.3 in August.

Classified by commodity, staple foods dropped 5.5 per cent, fuel 6.6 per cent, seasoning 1.6 per cent, and other necessities of life 2.7 per cent. Index numbers, however, picked up in tea, fruit, pork and fresh vegetables. A drop of solid fuel, such as charcoal (7.6 per cent) or fire wood (5.7 per cent) for instance, was due to a decreased demand in the summer season. Among necessities of life a dwindled purchasing power hit "meisen" fabric (15.3 per cent down) silk yarn (6.1 per cent down) and soap (6.6 per cent down). A rapid rise was revealed in fresh vegetables with the increase ranging from 30 to 50 per cent.

### SHIPPING AND FOREIGN TRADE

SCAP approval was given to the Japanese Government shifting the price basis of trade contracts to a FOB system for imports and a CIF system for exports, to step up foreign trade. Once this practice is adopted by the Japanese engaged in foreign trade, the significance hitherto attached to the merchant marine would become a more vital one to improve trade returns. Possession of sufficient bottoms for

transporting Japanese and foreign products by Japanese vessels would bring the country in a position to reduce deficits accumulated in the balance of trade.

Since Japan has lost the better portion of her merchant fleet, foreign trade is conducted only by falling back upon shipping interests belonging to foreign nationals. The following tables indicate how far the post-war trade of Japan has been dependent upon foreign vessels. The volume of commodities shipped from or delivered at Japanese ports is indicated by thousand (measurement) tons.

Imports	1946	1947	1948
F.B.	1,938(79%)	4,623(92.0%)	4,926(87.9%)
J.B.	519(20%)	457(8.0%)	674(12.1%)
Exports			
F.B.	96(9%)	339(16.3%)	619(38.1%)
J.B.	963(91%)	1,716(83.7%)	1,103(61.9%)

Note: FB (Foreign bottoms) JB (Japanese bottoms)

More than 85 per cent in tonnage of cargoes bought by Japan was carried in foreign vessels. With regard to exports the majority of commodities, constituting around 75 per cent, were entrusted to Japanese bottoms. However, it must be considered that Japan exported a large volume of coal and cement in these post-war years, largely to Korea and the Philippines; naturally, these products would require space, being greater in volume than in value. Those kinds of heavy cargoes have been what the Japanese vessels transported.

In the above table, one will note a gradual increase in the volume of exports shipped by foreign companies, the ratio climbing from 9 per cent in 1946 to 38.1 per cent in 1948. Thus it reveals a four-fold increase even in the volume of export cargoes transported by foreign nationals' firms.

**SHEET GLASS:**—A big decline will be seen in sheet glass exports as about 70 per cent of the previous shipments is destined for the sterling area. Monthly exports had averaged 45,000 cases or so but slipped to only 5,000 cases in August. Unless production cost is curtailed 30 per cent, exports to the sterling area will become hardly possible. Further cost cutting, however, is an impossible proposition technically. Prospects will grow from bad to worse as two competitors—Belgium and West Germany—have devaluated their currencies.

**RUBBER GOODS:**—With the exception of belts and rubber-cloth, exports are not on a paying basis at the present exchange rate. The outlook certainly will become more gloomy than ever as the result of the pound devaluation. It is true, the import cost of crude rubber will decrease, but this benefit will be offset completely by the abolition of the import subsidy. It is to be noted that most of our rubber goods are destined for the sterling area, and that in these markets Japanese goods must

compete with British makes in the case of auto tires and with native manufactures in the case of canvas shoes, bicycle tires, etc.

**CHINAWARE:**—With chinaware exports, about 60 per cent goes to the United States and 40 per cent to the sterling area. Exports to Hongkong and Egypt will decline. Canada will hereafter import from Great Britain. But shipments to the United States, Nori-take china in particular, will not be affected.

**TIMBER:**—In the first months of the current year contracts for Japanese oak, veneer chests, Momi chests, plywood, etc. aggregated \$330,000-890,000 monthly, but contracts have decreased considerably of late due to the dollar shortage in the importing countries, such as Belgium, New Zealand, Egypt and India. The outlook has become all the more dim due to the pound devaluation. No pickup can be anticipated for some time to come unless China, one of the best prewar clients, again becomes a buyer of timber products.



The ratio of utilized Japanese bottoms is not always discouraging in relation to the physical volume. But Japanese vessels were not always permitted to sail outside the waters between Japan and neighbouring countries, and, unlike pre-war days, receipts from freight were small. Whereas Japanese pre-war activities reached to the remote coast of Latin America and to African ports, they are not yet permitted to rejoin the international mercantile fleet in those areas. If ships sailing under the Japanese flag are permitted to navigate the pre-war routes, it would improve the Japanese balance of payments, not to mention the curtailing of export prices.

Classified by nationality, foreign bottoms used for exports and imports during the period from January through April, this year, are listed below (in thousand tons):—

Exports: (ordinary cargo).

United Kingdom 200 (38.6%), USA 105 (20.2%), China 49 (9.4%), Netherlands 44 (8.4%), Denmark 28 (5.4%), Panama 24 (4.4%), Greece 22 (4.3%).

Total (including others) 519 (100%).

Imports: (ordinary cargo and TOG goods).

USA 1,477 (49.9%), United Kingdom 570 (19.3%), China 326 (11.0%), Greece 137 (4.6%), Panama 132 (4.4%), Norway 70 (2.3%), Canada 61 (2.0%).

Total (including others) 2,960 (100%).

Japan's ship holdings as of July 1, this year, are as follows: (For comparison's sake, in 1935, Japan held about 4,190,000 gross tons; of which ocean-going bottoms comprised 80 per cent).

Class	Number of Ships	Weight of Tonnage	%
Peacetime Types .....	247	531,176	20.5
(Passenger-Freight Ships)		492,694	
(Tankers) .....		38,477	
Wartime Standard Types	419	1,543,316	59.5
(Passenger-Freight Ships)		1,206,916	
(Tankers) .....		336,400	
New Postwar Types ....	160	521,261	20.0
Laid Down in Wartime ..		332,084	
(completed after the war)			
Build After War .....		189,177	
Total .....	826	2,595,753	100

#### FIRST HALF 1949 TRADE

Exports and imports in the first half of 1949 totalled US\$263 and \$488 million, respectively, or 3.4 and 1.4 times last year's \$77 and \$348 million in the corresponding period. Outgoing shipments comprise 86 per cent of the total export contracts concluded in the first half estimated at about \$304 million, and incomings, 124 per cent of the aggregate import contracts at \$391 million. That arrivals eclipsed import contracts is attributed to food and other imports not included in the contracts. As monthly exports in the first half averaged \$44 million, it will not be difficult to attain the scheduled goal of \$500 million within the current year. July exports are estimated at \$47.5 million.

## Economic Developments in Indochina

Although more than 3 years have elapsed since the liberation of French Indochina from Japanese occupation, the French Government authorities and the Viet Nam Nationalists have yet to reach political and administrative accord. Civil strife, centred chiefly in Tonkin, Annam, and Cochinchina, continues to disrupt the economy, keeping production to a minimum, making hazardous and costly all communications, and preventing adequate distribution of food supplies and other essentials. As a consequence there was little improvement in the external trading position, and at the close of 1948 Indochina's visible adverse balance amounted to 1,186,000,000 piasters (US\$94,293,000).

#### Agriculture

Indochina is essentially an agricultural country. Probably more than 75 per cent of the 27,000,000 people earn their livelihood from pursuits connected with the three leading crops—rice, rubber, and maize (corn).

**Rice:**—Normally, about 85 per cent of the total cultivated area is planted to rice, which is the staple food for the indigenous population. Production has usually been sufficient to provide for domestic requirements, and to leave a surplus for export. In the 1947-48 season, 2,303,000 hectares were planted to rice, resulting in a total yield, for the areas reported, of 2,465,000 metric

tons of paddy; in the 1948-49 season, 2,050,000 were planted, and the total yield of paddy, for the areas reported, amounted to 2,216,500 tons. Total production of paddy in Cochinchina, in the two crop years, was as follows (quantity in metric tons): 1947-48, 1,661,800; 1948-49, 1,330,500. The corresponding production in Cambodia was: 1947-48, 803,200 tons; and 1948-49, 886,000 tons.

**Rubber:**—Rubber production in Indochina in 1948 totalled 44,500 metric tons; of this total, 43,700 tons were produced on plantations, and the remainder, or 800 tons, on small holdings. The area in plantation rubber was the same as in 1947—102,253 hectares—but the production was larger than the 38,600 tons recorded in 1947. Production in 1948 might have been even larger except for the lack of personal security in some areas, and the consequent lack of manpower. Exports in 1948 amounted to 42,066 tons, of which 34,040 tons went to France and 4,028 to the United States.

**Maize:**—Efforts to increase the production of maize, in Cambodia, raised the area planted to about 50,000 hectares. A favourable growing season, followed by dry weather in the harvesting period, ended with a large crop estimated at 75,000 to 100,000 metric tons. About 45,000 tons were exported, as compared with about 5,000 in 1947. Prices reached a high of 155 piasters per quintal (220.46 pounds), aboard barge for shipment to Saigon, but at the end of the year the price was stabilized at approximately 95 piasters per quintal.

**Other Crops:**—PEPPER:—At the beginning of 1948, the number of pepper plants under cultivation was estimated at 1,000,000, which compares with 3,600,000 in 1938. Production in 1948 is estimated to have been 1,200 to 1,300 metric tons. Owing to the unsettled conditions prevailing in the Province of Kampot, roving bands frequently raided plantations and gathered the pepper even before it was ripe. Pepper is of relatively high value, and also it can be smuggled easily. KAPOK:—Favourable prices for kapok stimulated production in 1948. There was a good crop, amounting to a total of 2,500 metric tons, distributed as follows: Cambodia, 2,000; and Cochina, 500. The entire crop was exported to France, the French Union, and the Netherlands.

#### Mining

**Coal:**—Mining operations were impeded by shortages of labour and materials. Coal mining in Indochina is centred in Tonkin, and most of the output consists of anthracite of low-ash content. In 1948, the Societe des Charbonnages du Tonkin proceeded to carry out a program of reorganization of production. Modernization of equipment was advanced by imports of mechanical shovels and special trucks from the United States. Production of

#### Foreign Trade in First Half

	Exports	Imports
January .....	37,131	74,021
February .....	36,962	65,286
March .....	45,776	87,775
April .....	44,718	73,660
May .....	57,081	91,762
June .....	42,000	95,608
Total .....	263,658	488,112

#### NATIONAL EARNINGS

1949-50 and 1950-51 national earnings are estimated at ¥2,908.3 and 3,090.0 billion, respectively. As compared with the 1948-49 earnings of ¥2,234.2 billion, the former figure is 30 per cent larger and the latter, 38 per cent.

(In billion yen)

	1948-49	1949-50	1950-51
1. Earned Incomes ..	1,000.5	1,311.7	1,363.5
A—Agriculture, Forestry & Fishery	74.9	90.3	93.9
B—Employees of Corporations, Etc.	925.6	1,221.4	1,269.6
2. Individual Enterprises, Proprietors, Etc. ....	1,153.0	1,424.9	1,546.7
A—Agriculture, Forestry & Fishery	547.0	701.7	746.1
B—Manufacturing, Commerce, Etc. .	606.0	723.2	800.6
3. Rent and Interest as Individual Incomes .....	30.7	43.7	49.8
A—Rent .....	17.8	52.5	26.6
B—Interest .....	12.9	18.2	23.2
4. Corporate Earnings	50.0	128.0	130.0
A—Net Profit before Dividend .....	62.0	140.0	142.0
B—Net Loss (—) ..	(—) 12.0	(—) 12.0	(—) 12.0
Total Earnings	2,234.2	2,908.3	3,090.0



anthracite increased from 250,000 metric tons in 1947 to 339,000 tons in 1948. Production from a few small semi-bituminous beds is estimated at 20,000 tons in 1948, making a total production of 359,000 tons.

**Other Minerals:**—In Tonkin, little progress was made in 1948 in developing the deposits of iron ore, antimony, molybdenite, phosphate rock, bauxite, copper, lead, tin, and zinc. This situation also prevailed with regard to gold, silver, and tin in Laos, and with the exploitation of zircon deposits in Cambodia.

#### Manufacturing

**Textiles:**—Before the war, textile factories in Tonkin, of modern design, produced about 12,000 metric tons of cotton fabrics annually. This was made possible by importing about 10,000 tons of raw cotton and 1,800 tons of cotton yarn annually, since Indochina's production of raw cotton was barely sufficient for its widespread household industry. At the end of 1948, the monthly production of yarn and thread was about 74 tons, or about one-twelfth of the prewar output. The monthly output of woven textiles was about 410 tons, and that of blanket about 20,000 units, or about one-fifth of the prewar rate of output.

**Other Industries:**—**CEMENT:**—Cement production in 1948 amounted to 97,300 metric tons, which compares with 40,000 tons in 1947 and an annual prewar average of 266,000 tons. **TOBACCO:**—The manufacture of cigarettes increased in 1948, when 3,754 metric tons of tobacco were processed, compared with 2,380 tons in 1947. **ALCOHOL:**—The production of alcohol, which is centred in Cambodia and Cochinchina, amounted to 131,014 hectolitres (a hectoliter equals 100 litres) in 1948, compared with 93,618 hectolitres in 1947, and an annual prewar average of 220,000.

**SUGAR:**—The output of brown sugar in 1948 amounted to 14,840 metric tons, which compares with 12,954 tons in 1947 and 26,000 tons in 1938. Of the three sugar refineries which operated in Indochina before the war, only one is now operating. Production of refined sugar in 1948 amounted to 900 tons, compared with 570 tons in 1947 and 15,700 tons annually before the war. **SALT:**—Production of salt from the evaporation of sea water reached an output of 64,090 metric tons in 1948, which was an increase over the 41,566 tons produced in 1947. **GLASS:**—In November 1948, glass manufacturing was resumed in a plant in Haiphong, Tonkin, where operations had been suspended since 1943. In December, 400,000 bottles were produced, which represented about 50 percent of the prewar monthly rate.

**SOAP:**—The output of ordinary soap amounted to about 5,000 metric tons in 1948, compared with 4,270 tons in 1947. Toilet soap production totaled 840 tons in 1948, an increase over the 270 tons produced in 1947. **MACHINE SHOPS:**—

At the present time, machine shop work is confined chiefly to the Saigon area in Cochinchina, because of the lack of experienced personnel in the Haiphong area of Tonkin. The total number of employees engaged in this type of work increased about 20 percent in 1948. Activities were retarded by the lack of materials for repair and maintenance work.

#### Finance

Devaluation measures were adopted twice during 1948. On January 28, the Indochinese piaster was devalued from a United States dollar equivalent of US\$0.14970 down to US\$0.07944. On October 17, the French Government extended to Indochina the privilege of a controlled free market on foreign trade transactions in United States dollars, Swiss francs, and Portuguese escudos. By this arrangement, insofar as United States dollars are concerned, half of the sum involved was bought from or sold to the Saigon Exchange Control at the official rate of US\$ 0.07941; the other half was negotiated on the Paris free market, through the intermediary of a local bank, at a rate of about 264 francs to the dollar (17 French francs equal 1 piaster), or midway between the official rate of 214 and the Paris free-market rate of 314. At the rate of 264 francs per dollar, in November 1948 one United States dollar equaled 15.57 piasters, and one piaster equaled US\$0.06423.

Legislation effective on September 25, 1948, withdrew the privilege of currency issue which had been held by the Bank of Indochina. Following a transition period, the privilege of note issue will be held by the Institut d'Emission de l'Indochine. An Indochinese Treasury was created by decree, on October 23, 1948. It is proposed that it will govern budgetary and treasury operations of the Associated States of Indochina, and financial relations with members of the French Union.

In 1948, as compared with 1947, deposits in banking institutions, and loans to individuals, business firms, and cooperatives, showed increases. Commercial interest rates ranged from 7 to 8 percent. Collections were reported slow except in the case of old established firms. Money in circulation reached a new high by December 31.

Revised budget estimates prepared in May 1948 indicated a total of 1,249,936,680 piasters for the year, an increase of 42 percent over the 1947 budget. At the end of 1948, Indochina's public debt stood at 145,000,000 piasters. The annual rate of retirement of this debt was fixed at 12,000,000 piasters, but in the 1949 budget a provision was made to raise the annual retirement rate to 20,000,000 piasters.

#### Transportation and Communications

During 1948, the maintenance and development of highways, ocean ports, and air fields were rendered difficult by civil strife, lack of personal security in many areas, and by shortages of experienced personnel. Despite these difficulties, a considerable amount of heavy equipment was imported and placed in service.

**HIGHWAYS:**—Repair work on highways progressed in the quiet areas of Cambodia, Laos, and the southern part of Cochinchina. Some important work was done, chiefly under military protection, in southern and central Annam and in Tonkin.

**RAILWAYS:**—On January 1, 1948, the operation of Indochina's state-owned railway system was placed under special administrative control by the Government. Moreover, this administrative agency, in an agreement with La Compagnie des Chemins de Fer de l'Indochine et Yunnan, also took charge of the operations of the 384-kilometre Haiphong to Laokay railway. Laokay is situated at the Chinese border.

At the end of 1948, only 1,306 kilometres of the 2,623 kilometres of the state-owned system were in operation. Since 1946, significant quantities of railway materials and equipment have been imported and placed in operation.

**SHIPPING:**—Restoration of Indochina's sea ports started in 1948. At Saigon, progress was made in the removal of sunken ships, the warehousing capacity for storing goods was restored, and new warehousing space was under construction, with more than 10,000 cubic metres of covered area being added. At the Port of Haiphong, most of the facilities used in loading ships have been repaired, and new warehousing space has been built. A considerable quantity of new harbour equipment was imported during the year.

**AVIATION:**—Important achievements were effected in 1948, in order to cope with the increase in air traffic. Indochina was served by four air lines. Two new routes were opened, one linking Saigon with Hongkong via Hanoi and Haiphong, and the other operating from Haiphong to Kunming, China via Hanoi. There were also increases in air services available between local points.

**POSTAL SERVICES:**—The number of post offices in Indochina increased from 148 in 1947 to 157 in 1948. The amount of mail handled doubled in volume during 1948. Money order services rendered showed steady increases throughout the year.

**RADIO FACILITIES:**—Radio stations increased from 10 to 35 during the year 1948, and equipment used by the larger stations was modernized. Radio transmissions increased steadily in 1948, and reached a peak of 1,500,000 words in the month of December.



### Labour and Living Conditions

Industries in the Saigon-Cholon area experienced an improvement in the recruiting of labour, especially in the construction industry. In the industrial area of Tonkin, an improvement in the labour supply occurred, although skilled labour was still scarce. In the agricultural areas of Indochina, particularly in Cochinchina, the lack of personal security made it difficult to recruit labour.

Prices of consumer goods and the cost of living rose constantly in 1948, despite the continuance of price controls and the sale of certain commodities under special forms of distribution.

### Foreign Trade

The total tonnage of Indochina's imports in 1948 represents an increase of approximately 60 percent compared with 1947, and was about 75 percent of the total tonnage imported in 1938. Increases were noted in practically all categories in 1948. Owing to a low level in the domestic production of sugar, imports in 1948 were much greater than in 1938.

Compared with 1947, increases were recorded in 1948 for the following kinds of merchandise: Liquor, live animals, vegetables, patent medicines, paper and paper products, and yarns and thread. Imports of cotton textiles were less in 1948 than in 1947.

Imports in 1948 which were of direct benefit in the reconstruction and rehabilitation of the country included the following: Petroleum and products, iron and steel, machinery and parts, and automobiles and accessories.

With regard to the source of imports, France, Indonesia, and the United States, combined, supplied about 68 percent of the total tonnage in 1948. As in 1938, France was the largest supplier, and Indonesia was second.

While Indochina's export tonnage in 1948 was more than that of 1947, it was only about 14 percent of the total tonnage exported in 1938. Exports to France, combined with those of Malaya and Singapore, amounted to about 45 percent of the total in 1948. Japan, which was the second best market in 1938, showed recovery in 1948, since, in 1947, no exports to that country were recorded in Indochina's official statistics. Tonnage shipped to Japan in 1948 amounted to 59,360, of which about 95 percent was coal.

Because much important agricultural acreage was not in cultivation in 1948, and most mining areas were not under French control, export capacities were far below those prevailing in 1938.

Principal export products in 1948, accounting for about 71 percent of the total value of all exports, were as follows: Rice, 38.6 percent; rubber, 26.4 percent; and maize (corn), 6.3 percent. Edible grades of rice were under allocation by the International Emergency Food Council. A good maize crop in 1948, combined with a favourable price paid by France to Cambodia producers, resulted in an export volume of 46,784 metric tons.

New items added to Indochina's exports in 1948 were salt (from the evaporation of sea water), shipments of which totaled 23,063 metric tons, and soap exports of 1,731 tons.

Other commodities exported in 1948

included the following: Cement, dried fish, dried vegetables, kapok, oil cakes for cattle feed, and pepper.

In 1946, Indochina had a favourable trade balance of 380,000,000 piasters, made possible chiefly by the exportation of stockpiles of rubber and pepper accumulated during the war. Following the removal of these accumulated stocks, exports declined in 1947, while there was a considerable increase in the value of imports; the result was an unfavourable trade balance in 1947 amounting to 501,000,000 piasters. The value of exports in 1948 was 1,172,000 piasters, representing a large increase over the value of 466,000,000 piasters in 1947, but as imports in 1948 were valued at 2,358,000,000, there was an unfavourable balance of 1,186,000,000 piasters. Despite the devaluation of the piaster, early in 1948, the total value of exports in 1948, compared with 1947, showed an increase of no more than 152 percent, coincident with an increase in tonnage amounting to 131 percent. Although the value of imports in 1948, of 2,358,000,000 piasters, represented an increase of 144 percent over the value of imports of 967,000,000 piasters in 1947, the situation is somewhat mitigated by the fact that large expenditures were made for the purchases of equipment needed to rehabilitate the Indochinese economy.

**Trade Controls:**—Indochina's foreign trade is under Government control, since there is a scarcity of essential goods, and also of foreign exchange, particularly of dollar exchange. Foreign exchange for the purchase of imports is allotted by the French authorities in Paris; all foreign exchange earnings in French territory are pooled in a common fund, from which allocations are made on the basis of the greatest need.

Imports are subject to license, in addition to exchange control. Normally, an over-all import plan is announced for each 6-month period, and acceptance of applications for import licenses is limited to goods included in the plan. Exchange for imports from non-French areas is granted only when the goods cannot be procured from French sources, or when the procurement from French territory would involve too long a delay. Details of an import plan covering a 6-month period are released only as each particular allocation is approved. Whenever an import quota has been established for a given commodity, the total is apportioned among the importers who can offer the best terms. Although the plan operates over the whole of Indochina, separate quotas are allocated to Tonkin.

With regard to exports, the following products remain under control, and require licensing for shipment to any destination: Paddy, rice, and deriva-

tives; maize and products thereof; cattle-feed, tapioca; peanuts and peanut oil; copra and oil; cotton; rubber; kapok seeds and oils, lard and margarine; precious and semiprecious stones (zircon); and precious metals and products thereof of local manufacture.

A system known as compensated exchange was established in August 1948. This amounts to a barter system; exporters are permitted to use all or part of the foreign exchange obtained by exporting minor products, some of which are below the generally accepted market grades, to import certain categories of goods from the countries which purchased these particular kinds of Indochinese exports. The export products covered by this scheme include the following: Low grades of rice, rice bran, low grades of skins, beans, and dried fish. This scheme does not alter the Government's policy with regard to major Indochinese exports, which bring in foreign exchange; such exchange must be surrendered at fixed rates.

Indochina participates in benefits derived from commercial agreements which France has concluded with certain countries, which are: Czechoslovakia, Denmark, Greece, the Netherlands, Norway, and Switzerland. These agreements have enabled Indochina to obtain essential goods from the countries mentioned. Commercial transactions between Indochina and Japan are handled in accordance with a financial agreement concluded by France on July 7, 1948.



## Hongkong's Principal Trading Partners for June 1949

The trade figures for June which were given in our issue of August 25 showed that there had been a rise of 33% in the total trade of the Colony of \$372,249,703 against June 1948 (\$279,905,552) but a slight fall of 0.66% compared with the amount of \$374,105,528 for May. Imports amounted to \$208,180,331 against June 1948 \$173,787,329 and May \$233,516,776, and exports to \$164,069,372 compared with June 1948 \$106,118,223 and the May figure of \$140,588,752.

Below is given an analysis of Hongkong's trade with the principal individual countries concerned details being published on the pages following.

Trade with the United Kingdom during June showed a fall, imports \$25,782,801 though higher than those for January and February (\$22,154,535 and \$24,820,495) being lower than those for the other three months, and exports \$11,667,410 being only higher than February and April (\$9,540,091 and \$7,830,137). Practically the only important commodity imported from the U.K. that showed an increase compared with May was fertilizers which in June amounted in value to \$1 million as against \$233,952. In exports vegetable oils, mainly teased oil (\$7 m.) and woodoil (\$1.28 m.) totalled \$8.86 m. compared with \$6.4 m. in May; footwear was down more than any other export, none being despatched to the U.K. as against a monthly average for January to May of  $1\frac{1}{4}$  m.

Imports from China as a whole amounted to \$51,929,656 during June, (if Macao is included to \$57,746,943), as against the figure for May imports of \$88,686,407 (including Macao \$101,823,275); exports to China totalled \$41,339,396 (incl. Macao \$60,702,413) compared with May \$30,915,925 (incl. Macao \$53,420,886).

From North China imports came to \$12.2 m. compared with \$28.5 m. in May; increases were shown in manufactured products of cereals \$1.3 m. (May \$649,628), vegetables \$2.2 m. (\$2.18 m.), vegetable oils, mainly groundnut oil, \$2.4 m. (\$2.2 m.), and miscellaneous crude or simply prepared products \$3.07 m. (\$3 m.); the principal decreases were in yarns & threads for which no imports were recorded as against \$6.48 m. in May, textile fabrics & small wares which fell to \$929,600 compared with \$6.86 m., oilseeds, nuts, etc., which amounted to \$470,000 against \$2 m., and fruits & nuts \$295,000 compared with the previous amount of \$1 m. Exports to North China showed an increase of 49%, amounting to \$26.39 m. against the figure for May of \$17.7 m., the principal increases being in paper which amounted to \$5.37 m. (May \$2 m.), textile materials \$5.95 m. (\$4.4 m.), chemicals \$2.7 m. (\$2.26 m.), dyeing & tanning substances \$2.45 m. (\$1.5 m.), made-up articles of textile materials other than clothing \$1.2 m. (\$1 m.), and non-ferrous base metals \$1.2 m. (\$207,531).

Central China imports \$3.5 m. also showed a drop against May (\$4.6 m.), sugar & sugar confectionery \$1.47 m. being the only item to show an increase compared with May \$1.1 m. Exports totalled \$5.6 m. against May \$4.95 m. feeding stuffs for animals \$1.39 m. showing the main increase (May \$17,726), but a heavy fall in exports being recorded for textile fabrics & small wares which only amounted to \$657,682 against the May figure of \$1.3 m.

Imports from South China fell to \$36 m. against \$55.56 m. for May, increases were, however, shown in imports of sugar & confectionery \$2.68 m. (May \$2.57 m.), ores \$5.65 m. (\$696,739), and machinery \$2.35 m. (\$63,055). Exports totalled \$9.3 m. compared with \$8.2 m. for May, the rise being mainly accounted for by yarns & threads which amounted to \$1 m. as against none recorded for May.

Trade with Macao fell in June to \$5.8 m. for imports and \$19 m. for exports as against \$13 m. and \$22.5 m. for May; in imports, textile fabrics & small wares showed the greatest decrease amounting to \$368,510 against \$3.48 m. in May; in exports increases were shown in vegetables \$1 m. (\$841,387), and textile fabrics & small wares \$2.46 m. (\$2.35 m.).

Trade with Japan during June showed that imports had risen by 133.9% amounting to \$10.9 m. against \$4.66 m. previously; exports, however, fell by 48% to \$5.97 m. compared with \$11.5 m. The principal increases in imports occurred in machinery which rose to \$4 (against \$105,421), vegetables for food \$1.1 m. (\$206,532), products for heating & lighting \$1.36 m. (\$455,285) and textile fabrics & small wares \$1.5 m. (\$953,000); in exports increases took place in oilseeds & nuts \$1.39 m. (\$1.27 m.), and ores \$760,000 (\$458,000), decreases were shown in feeding stuffs for animals \$1.5 m. (4.3 m.) and miscellaneous crude products \$26,200 (\$1.25 m.).

The total trade of Korea, North & South, which amounted to \$3,267,296 for imports and \$4,171,611 for exports showed a fall against the May totals of \$10,134,491 and \$15,351,227 respectively. Imports from South Korea totalled \$1.5 m. (\$3.55 m.) and exports \$2.7 m. (\$12 m.), the chief decreases in imports being in miscellaneous crude products \$17,983 (\$1.6 m.), manufactured products of cereals \$6,000 (\$502,444) and fishery products for food \$492,000 (\$893,000), and the principal falls in exports being in paper \$949,747 (\$4 m.), yarns & threads \$731,500 (\$3 m.), chemicals \$212,738 (\$1.1 m.) and dyeing & tanning \$84,295 (\$609,077). North Korean imports declined mainly in feeding stuffs for animals, oilseeds, and miscellaneous crude products, while exports fell in paper \$194,867 (\$771,383) and textile fabrics & small wares \$418,665 (\$759,054).

Siam's trade with Hongkong fell to \$7.45 m. in imports (\$7.6 m.) and to \$4.58 m. in exports (\$19.5 m.). Imports of cereals (rice) rose to \$4 m. against \$1.1 m. in the previous month, but decreases were shown in wood & cork \$810,000 (\$2.1 m.) and non-metallic minerals \$447,000 (\$1 m.); in exports, yarns & thread fell to \$1.48 m. against \$4.7 m. in May, textile fabrics & small wares dropped to \$765,650 (\$5.47 m.), made-up articles of textile materials other than clothing fell to \$36,000 (\$2 m.), clothing & underwear and hats to \$193,000 (\$1.3 m.) and manufactures of base metals to \$351,680 (\$1.4 m.).

In contrast with the falling trade figures already dealt with, Malaya showed an increase in both imports \$6.2 m. (\$5.99 m.) and exports \$22.45 m. (\$20.9 m.): the principal increase in imports was in fertilizers which were valued at \$1.29 m. against \$20,027 in May, and in exports the most noticeable rise was in made-up articles of textile materials which amounted to \$6.68 m. as against \$588,696 for May, manufactured articles n.e.s. \$2.8 m. likewise showed an increase against \$1.9 m., as did textile fabrics & small wares \$4 m. (\$3.4 m.).

Trade with Canada also rose, imports amounting to \$5.89 m. (\$2.79 m.) and exports to \$3.9 m. (\$2.8 m.), imports of manufactures of base metals rose to \$2.19 m. (\$130,388) and fertilizers were imported to the value of \$1.4 m. as against none during the previous month; exports of tin ingots were valued at \$3.2 m. (none in May), although exports of oilseeds & nuts fell to \$62,000 (\$1.86 m.).

As regards the U.S.A., Hongkong's most important individual trading partner, imports \$47.64 m. fell by 33.7% against the May figure of \$71.86 m. and exports \$18.15 m. by 25.7% against \$24.44 m. The following imports showed increases: special & technical textile fabrics \$3.2 m. (\$248,263), products for heating & lighting \$4.4 m. (\$2 m.), precious metals & precious stones \$2.1 m. (\$827,783), machinery \$6.67 m. (\$5.25 m.) and tobacco \$3.18 m. (\$1.17 m.); decreased imports were shown in chemicals \$3.5 m. (\$8.3 m.), paper \$4.28 m. (\$6.24 m.), manufactured products of cereals \$122,800 (\$2.36 m.), textile materials raw or simply prepared \$3 m. (\$10.4 m.), textile fabrics & small wares \$38,580 (\$4.54 m.), iron & steel \$1.2 m. (\$3 m.), manufactures of base metals \$1.3 m. (\$2.6 m.), electrical machinery \$1.49 m. (\$2.8 m.), vehicles & transport equipment \$2 m. (\$4.38 m.) and manufactured articles n.e.s. \$3 m. (\$4.85 m.). Increased exports were in vegetable oils \$2.35 m. (\$1.79 m.), hides & skins \$1.3 m. (\$558,100) and tin ingots \$3.3 m. (\$1.79 m.); decreases were in vegetables \$500,400 (\$1 m.), furs \$599,000 (\$1.47 m.), miscellaneous crude or simply prepared products \$6.4 m. (\$9 m.) and manufactured articles n.e.s. \$1 m. (\$3.4 m.).



## PRINCIPAL TRADING PARTNERS OF HONGKONG

TOTAL VALUES OF IMPORTS &amp; EXPORTS BY COUNTRIES FOR THE MONTH OF JUNE, 1949.

UNITED KINGDOM			AUSTRALIA		
ARTICLES	Imports \$	Exports \$	ARTICLES	Imports \$	Exports \$
Meat and preparations thereof .....	28,010	—	Meat and preparations thereof .....	262,571	1,498
Dairy products, eggs and honey ...	831	221,532	Dairy products, eggs and honey ....	134,048	422
Fishery products, for food .....	6,442	—	Fishery products, for food .....	1,600	43,729
Cereals .....	594	—	Cereals .....	14,287	—
Manufactured products of cereals, chiefly for human food .....	119,112	—	Manufactured products of cereals, chiefly for human food .....	64,611	4,999
Fruits and nuts, except oil-nuts ....	19,721	8,200	Fruits and nuts, except oil-nuts ....	396,106	16,541
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	1,779	938,247	Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	150,010	62,874
Sugar and sugar confectionery .....	82,485	—	Sugar and sugar confectionery .....	4,485	1,335
Coffee, tea, cocoa and preparations thereof; spices .....	116,414	84,953	Coffee, tea, cocoa and preparations thereof; spices .....	1,443	18,053
Beverages and vinegars .....	234,668	—	Beverages and vinegars .....	43,082	90,487
Tobacco .....	1,036,407	3,712	Feeding stuffs for animals, n.e.s. ..	11,873	4,368
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	7,500	8,866,554	Tobacco .....	—	42,755
Chemical elements and compounds; pharmaceutical products .....	944,441	—	Oil-seeds, nuts and kernels .....	—	369
Dyeing, tanning and colouring sub- stances (not including crude materials) .....	634,454	35,517	Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	113,336	459,685
Essential oils, perfumery, cosmetics, soaps and related products .....	436,667	53,865	Chemical elements and compounds; pharmaceutical products .....	178,862	29,960
Fertilizers .....	1,043,453	—	Dyeing, tanning and colouring sub- stances (not including crude materials) .....	24,000	—
Rubber and manufactures thereof, n.e.s. ....	374,274	—	Essential oils, perfumery, cosmetics, soaps and related products .....	53,829	892
Wood, cork & manufactures thereof	19,875	700	Rubber and manufactures thereof, n.e.s. ....	—	19,433
Pulp, paper and cardboard and manu- factures thereof .....	864,553	—	Wood, cork & manufactures thereof	30,760	65,324
Hides and skins and leather .....	145,082	138,465	Pulp, paper and cardboard and manu- factures thereof .....	769	11,190
Manufactures of leather, not includ- ing articles of clothing .....	38,812	—	Hides and skins and leather .....	305,227	—
Textile materials, raw or simply prepared .....	422,839	—	Manufactures of leather, not includ- ing articles of clothing .....	4,865	2,202
Yarns and thread .....	2,006,033	—	Textile materials, raw or simply prepared .....	216,498	240
Textile fabrics and small wares ....	3,768,380	10,000	Yarns and thread .....	359,099	5,760
Special and technical textile articles	414,751	—	Textile fabrics and small wares ....	22,387	273,018
Clothing and underwear of textile materials; hats of all materials ..	202,090	—	Special and technical textile articles	252	2,128
Footwear, boots, shoes and slippers	20,642	—	Clothing and underwear of textile materials; hats of all materials ..	13,390	30,255
Made-up articles of textile materials other than clothing .....	171,678	—	Footwear, boots, shoes and slippers	—	77,725
Products for heating, lighting and power, lubricants and related pro- ducts .....	46,678	—	Made-up articles of textile materials other than clothing .....	—	32,928
Non-metallic minerals, crude or sim- ply prepared, n.e.s. ....	38,244	42,100	Non-metallic minerals, crude or sim- ply prepared, n.e.s. ....	—	431
Pottery and other clay products ....	317,392	1,500	Pottery and other clay products ....	—	3,643
Glass and glassware .....	523,741	—	Glass and glassware .....	926	2,333
Manufactures of non-metallic mine- rals, n.e.s. ....	184,674	—	Precious metals and precious stones, pearls and articles made of these materials .....	—	180
Precious metals and precious stones, pearls and articles made of these materials .....	265,553	—	Iron and steel .....	10,259	—
Ores, slag, cinder .....	—	420,220	Non-ferrous base metals .....	29,586	—
Iron and steel .....	1,753,957	—	Manufactures of base metals, n.e.s. .	19,302	117,613
Non-ferrous base metals .....	1,587,875	—	Machinery, apparatus and appliances other than electrical, n.e.s. ....	27,089	—
Manufactures of base metals n.e.s. .	1,556,101	40,500	Electrical machinery, apparatus and appliances .....	110,164	3,324
Machinery, apparatus and appliances other than electrical, n.e.s. ....	1,320,202	200	Vehicles & transport equipment, n.e.s.	5,000	9,249
Electrical machinery, apparatus and appliances .....	2,868,990	7,277	Miscellaneous crude or simply pre- pared products, n.e.s. ....	9,141	185,551
Vehicles & transport equipment, n.e.s.	1,657,335	8,000	Manufactured articles, n.e.s. ....	23,271	246,767
Miscellaneous crude or simply pre- pared products, n.e.s. ....	3,943	721,666			
Manufactured articles, n.e.s. ....	496,194	64,202			
Gold and specie .....	6,380,109	—			
Total .....	32,162,910	11,667,410	Total .....	2,642,128	1,867,261



## CANADA

	Imports \$	Exports \$
Dairy products, eggs and honey ...	58,153	5,915
Fishery products, for food .....	84,245	46,383
Cereals .....	767,849	—
Manufactured products of cereals, chiefly for human food .....	454,921	10,841
Fruits and nuts, except oil-nuts ....	10,163	16,056
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	3,000	131,191
Sugar and sugar confectionery .....	—	286
Coffee, tea, cocoa and preparations thereof; spices .....	—	31,044
Beverages and vinegars .....	162,152	23,338
Feeding stuffs for animals, n.e.s. ..	3,440	—
Tobacco .....	—	700
Oil-seeds, nuts and kernels .....	—	62,643
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	37,914	14,588
Chemical elements and compounds; pharmaceutical products .....	14,278	17,955
Dyeing, tanning and colouring sub- stances (not including crude materials) .....	—	120
Fertilizers .....	1,442,000	—
Rubber and manufactures thereof, n.e.s. ....	1,638	—
Wood, cork & manufactures thereof	67,097	8,025
Pulp, paper and cardboard and manu- factures thereof .....	7,500	1,311
Hides and skins and leather .....	7,000	—
Textile fabrics and small wares ....	960	72,356
Clothing and underwear of textile materials, hats of all materials ..	—	34,700
Footwear, boots, shoes and slippers	4,856	2,785
Made-up articles of textile materials other than clothing .....	—	2,272
Products for heating, lighting and power, lubricants and related pro- ducts .....	8,000	120
Pottery and other clay products ....	—	22,852
Precious metals and precious stones, pearls and articles made of these materials .....	13,000	—
Non-ferrous base metals .....	43,000	3,223,125
Manufactures of base metals, n.e.s. .	2,195,237	385
Machinery, apparatus and appliances other than electrical, n.e.s. ....	100	—
Electrical machinery, apparatus and appliances .....	27,224	—
Vehicles & transport equipment, n.e.s.	189,027	—
Miscellaneous crude or simply pre- pared products, n.e.s. ....	58,240	87,061
Manufactured articles, n.e.s. ....	235,246	84,981
Total .....	5,896,240	3,901,033

## INDIA

ARTICLES	Imports \$	Exports \$
Fishery products, for food .....	57,000	—
Manufactured products of cereals, chiefly for human food .....	—	2,210
Fruits and nuts, except oil-nuts ....	19,326	2,800
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	—	4,900
Coffee, tea, cocoa and preparations thereof; spices .....	2,127	—
Tobacco .....	166,837	—
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	347,339	59,628
Chemical elements and compounds; pharmaceutical products .....	—	22,957
Dyeing, tanning and colouring sub- stances (not including crude materials) .....	54,255	7,414

Essential oils, perfumery, cosmetics, soaps and related products .....	4,895	3,030
Wood, cork & manufactures thereof	—	620
Pulp, paper and cardboard and manu- factures thereof .....	—	26,556
Textile materials, raw or simply prepared .....	17,680	—
Textile fabrics and small wares ....	490	172,485
Special and technical textile articles	—	108
Clothing and underwear of textile materials; hats of all materials ..	—	400
Footwear, boots, shoes and slippers	—	75
Made-up articles of textile materials other than clothing .....	547,751	—
Products for heating, lighting and power, lubricants and related pro- ducts .....	1,006,246	—
Pottery and other clay products ....	—	2,100
Glass and glassware .....	—	6,140
Precious metals and precious stones, pearls and articles made of these materials .....	50,168	—
Non-ferrous base metals .....	—	7,920
Manufactures of base metals, n.e.s. .	12,800	2,214,360
Electrical machinery, apparatus and appliances .....	—	80,731
Vehicles & transport equipment, n.e.s.	—	3,000
Miscellaneous crude or simply pre- pared products, n.e.s. ....	91,605	121,726
Manufactured articles, n.e.s. ....	5,200	246,545
Total .....	2,383,719	2,985,705

## MALAYA

ARTICLES	Imports \$	Exports \$
Meat and preparations thereof .....	—	41,871
Dairy products, eggs and honey ....	—	108,707
Fishery products, for food .....	315,061	388,597
Cereals .....	—	1,886
Manufactured products of cereals, chiefly for human food .....	38,555	41,233
Fruits and nuts, except oil-nuts ....	84,948	422,063
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	119,481	1,531,196
Sugar and sugar confectionery .....	261,113	78,095
Coffee, tea, cocoa and preparations thereof; spices .....	27,255	222,455
Beverages and vinegars .....	—	87,742
Feeding stuffs for animals, n.e.s. ..	—	137,198
Tobacco .....	—	37,070
Oil-seeds, nuts and kernels .....	750,430	108,320
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	50,138	184,215
Chemical elements and compounds; pharmaceutical products .....	40,856	563,729
Dyeing, tanning and colouring sub- stances (not including crude materials) .....	548,615	595,272
Essential oils, perfumery, cosmetics, soaps and related products .....	1,400	234,777
Fertilizers .....	1,294,072	—
Rubber and manufactures thereof, n.e.s. ....	542,004	129,372
Wood, cork & manufactures thereof	—	90,864
Pulp, paper and cardboard and manu- factures thereof .....	93,729	658,174
Hides and skins and leather .....	—	4,379
Manufactures of leather, not includ- ing articles of clothing .....	—	214,625
Textile materials, raw or simply prepared .....	—	2,700
Yarns and thread .....	270,061	52,650
Textile fabrics and small wares ....	1,308	4,017,624
Special and technical textile articles	11,676	221,579
Clothing and underwear of textile materials; hats of all materials ..	—	1,238,152
Footwear, boots, shoes and slippers	208,517	39,310
Made-up articles of textile materials other than clothing .....	—	6,688,045



Products for heating, lighting and power, lubricants and related products .....	7,700	108,885
Non-metallic minerals, crude or simply prepared, n.e.s. ....	—	25,522
Pottery and other clay products ....	2,457	39,728
Glass and glassware .....	—	91,253
Manufactures of non-metallic minerals, n.e.s. ....	337,908	6,930
Precious metals and precious stones, pearls and articles made of these materials .....	—	49,009
Iron and steel .....	61,792	—
Non-ferrous base metals .....	571,100	400
Manufactures of base metals, n.e.s. .	45,940	622,827
Machinery, apparatus and appliances other than electrical, n.e.s. ....	—	10,398
Electrical machinery, apparatus and appliances .....	36,717	54,529
Vehicles & transport equipment, n.e.s.	242,109	6,340
Miscellaneous crude or simply prepared products, n.e.s. ....	194,066	483,386
Manufactured articles, n.e.s. ....	79,870	2,809,538
<b>Total .....</b>	<b>6,238,878</b>	<b>22,450,645</b>

**SOUTH AFRICA**

ARTICLES	Imports \$	Exports \$
Fishery products, for food .....	41,387	—
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	—	860
Coffee, tea, cocoa and preparations thereof; spices .....	—	900
Beverages and vinegars .....	820	—
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	—	312,264
Chemical elements and compounds; pharmaceutical products .....	38,212	63,070
Dyeing, tanning and colouring substances (not including crude materials) .....	6,252	2,475
Rubber and manufactures thereof, n.e.s. ....	—	4,582
Wood, cork & manufactures thereof	—	1,110
Pulp, paper and cardboard & manufactures thereof .....	488	—
Textile materials, raw or simply prepared .....	7,598	—
Yarns and thread .....	—	35,310
Textile fabrics and small wares ....	—	704,404
Special and technical textile articles	—	14,623
Clothing and underwear of textile materials; hats of all materials ..	—	824,849
Made-up articles of textile materials other than clothing .....	—	6,380
Products for heating, lighting and power, lubricants and related products .....	533,256	—
Pottery and other clay products ....	—	5,450
Glass and glassware .....	—	6,983
Precious metals and precious stones, pearls and articles made of these materials .....	1,654,630	886
Manufactures of base metals, n.e.s. .	3,718	666,136
Electrical machinery, apparatus and appliances .....	—	954
Miscellaneous crude or simply prepared products, n.e.s. ....	—	49,582
Manufactured articles, n.e.s. ....	—	205,007
<b>Total .....</b>	<b>2,286,361</b>	<b>2,905,925</b>

**BELGIUM**

ARTICLES	Imports \$	Exports \$
Dairy products, eggs and honey ....	—	24,948
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	—	4,900

Tobacco .....	—	38,257
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	—	175,409
Essential oils, perfumery, cosmetics, soaps and related products .....	—	40,300
Fertilizers .....	1,715,487	—
Wood, cork & manufactures thereof	—	980
Hides and skins and leather .....	—	108,307
Textile fabrics and small wares ....	18,030	—
Footwear, boots, shoes and slippers	—	12,564
Products for heating, lighting and power, lubricants and related products .....	15,286	—
Non-metallic minerals, crude or simply prepared, n.e.s. ....	2,000	—
Pottery and other clay products ....	2,811	2,850
Glass and glassware .....	189,526	—
Iron and steel .....	143,140	—
Non-ferrous base metals .....	2,876	—
Manufactures of base metals, n.e.s. .	58,293	2,000
Machinery, apparatus and appliances other than electrical, n.e.s. ....	12,408	—
Miscellaneous crude or simply prepared products, n.e.s. ....	—	221,895
Manufactured articles, n.e.s. ....	—	11,225
<b>Total .....</b>	<b>2,159,857</b>	<b>643,635</b>

**BURMA**

ARTICLES	Imports \$	Exports \$
Fishery products, for food .....	—	21,212
Cereals .....	595,553	—
Manufactured products of cereals, chiefly for human food .....	23,574	19,275
Fruits and nuts, except oil-nuts ....	—	27,266
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	—	38,187
Sugar and sugar confectionery ....	—	932,002
Coffee, tea, cocoa and preparations thereof; spices .....	—	29,550
Beverages and vinegars .....	—	412
Feeding stuffs for animals, n.e.s. ..	—	—
Tobacco .....	—	60,625
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	—	280
Chemical elements and compounds; pharmaceutical products .....	—	390,329
Dyeing, tanning and colouring substances (not including crude materials) .....	—	183,342
Essential oils, perfumery, cosmetics, soaps and related products .....	—	55,550
Rubber and manufactures thereof, n.e.s. ....	—	53,054
Wood, cork & manufactures thereof	—	487
Pulp, paper and cardboard and manufactures thereof .....	—	187,308
Textile materials, raw or simply prepared .....	306,500	—
Yarns and thread .....	—	52,000
Textile fabrics and small wares ....	—	18,037
Clothing and underwear of textile materials; hats of all materials ..	—	93,865
Footwear, boots, shoes and slippers	—	49,942
Made-up articles of textile materials other than clothing .....	—	17,630
Products for heating, lighting and power, lubricants and related products .....	—	24,400
Pottery and other clay products ....	—	48,110
Glass and glassware .....	—	4,874
Manufactures of base metals, n.e.s. .	—	67,092
Machinery, apparatus and appliances other than electrical, n.e.s. ....	—	2,800
Electrical machinery, apparatus and appliances .....	—	156,530



Vehicles & transport equipment, n.e.s.	—	31,838
Miscellaneous crude or simply prepared products, n.e.s.	—	92,126
Manufactured articles, n.e.s.	—	36,176
ducts	925,627	2,694,299

## CHINA, NORTH

ARTICLES	Imports \$	Exports \$
Meat and preparations thereof	4,200	—
Dairy products, eggs and honey	942,160	105,070
Manufactured products of cereals, chiefly for human food	1,314,199	—
Fruits and nuts, except oil-nuts	295,315	—
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s.	2,223,728	14,203
Sugar and sugar confectionery	—	72,620
Coffee, tea, cocoa and preparations thereof; spices	1,200	1,800
Beverages and vinegars	278,470	4,700
Feeding stuffs for animals, n.e.s.	196,240	—
Oil-seeds, nuts and kernels	470,205	—
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s.	2,417,541	140,600
Chemical elements and compounds; pharmaceutical products	—	2,707,145
Dyeing, tanning and colouring substances (not including crude materials)	—	2,459,037
Essential oils, perfumery, cosmetics, soaps and related products	—	4,000
Fertilizers	—	165,000
Rubber and manufactures thereof, n.e.s.	—	1,326,382
Wood, cork & manufactures thereof	6,238	19,827
Pulp, paper and cardboard and manufactures thereof	—	5,379,873
Hides and skins and leather	—	23,664
Manufactures of leather, not including articles of clothing	—	7,144
Textile materials, raw or simply prepared	54	5,950,511
Yarns and thread	—	129,745
Textile fabrics and small wares	929,602	60,176
Special and technical textile articles	—	17,877
Clothing and underwear of textile materials; hats of all materials	—	1,000
Footwear, boots, shoes and slippers	—	108,895
Made-up articles of textile materials other than clothing	11,875	1,215,370
Products for heating, lighting and power, lubricants and related products	—	864,505
Non-metallic minerals, crude or simply prepared, n.e.s.	—	86,638
Pottery and other clay products	—	95,900
Glass and glassware	—	30,200
Manufactures of non-metallic minerals, n.e.s.	—	58,526
Precious metals and precious stones, pearls and articles made of these materials	—	5,102
Iron and steel	—	577,374
Non-ferrous base metals	—	1,224,451
Manufactures of base metals, n.e.s.	15,115	238,552
Machinery, apparatus and appliances other than electrical, n.e.s.	47,322	397,874
Electrical machinery, apparatus and appliances	4,000	641,228
Vehicles & transport equipment, n.e.s.	—	190,151
Miscellaneous crude or simply prepared products, n.e.s.	3,071,015	639,632
Manufactured articles, n.e.s.	9,632	305,820
Gold and specie	—	1,119,896
Total	12,238,111	26,390,488

## CHINA, MIDDLE

ARTICLES	Imports \$	Exports \$
Live animals, chiefly for food	75	—
Dairy products, eggs and honey	189,008	455,195
Fishery products, for food	8,650	14,004
Manufactured products of cereals, chiefly for human food	—	98,420
Fruits and nuts, except oil-nuts	82,193	—
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s.	135,642	—
Sugar and sugar confectionery	1,475,744	—
Coffee, tea, cocoa and preparations thereof; spices	869,946	33
Beverages and vinegars	50,073	1,971
Feeding stuffs for animals, n.e.s.	—	1,394,936
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s.	—	72,941
Chemical elements and compounds; pharmaceutical products	11,213	199,904
Dyeing, tanning and colouring substances (not including crude materials)	—	55,355
Essential oils, perfumery, cosmetics, soaps and related products	—	33,902
Fertilizers	—	1,594,650
Rubber and manufactures thereof, n.e.s.	—	93,352
Wood, cork & manufactures thereof	4,197	13,140
Pulp, paper and cardboard and manufactures thereof	3,030	43,332
Hides and skins and leather	1,100	4,020
Yarns and thread	2,900	39,148
Textile fabrics and small wares	296,590	657,682
Special and technical textile articles	40,355	—
Clothing and underwear of textile materials; hats of all materials	54,715	33,282
Made-up articles of textile materials other than clothing	16,931	707
Products for heating, lighting and power, lubricants and related products	—	179,470
Non-metallic minerals, crude or simply prepared, n.e.s.	840	2,120
Pottery and other clay products	109,973	400
Glass and glassware	—	20,000
Manufactures of non-metallic minerals, n.e.s.	—	623
Precious metals and precious stones, pearls and articles made of these materials	—	1,233
Iron and steel	10,000	133,486
Non-ferrous base metals	21,000	4,600
Manufactures of base metals, n.e.s.	8,180	26,750
Machinery, apparatus and appliances other than electrical, n.e.s.	4,076	9,662
Electrical machinery, apparatus and appliances	900	14,148
Vehicles & transport equipment, n.e.s.	9,600	24,888
Miscellaneous crude or simply prepared products, n.e.s.	69,432	58,025
Manufactured articles, n.e.s.	24,971	11,338
Gold and specie	—	320,000
Total	3,501,334	5,612,717

## CHINA, SOUTH

ARTICLES	Imports \$	Exports \$
Live animals, chiefly for food	2,358,060	—
Meat and preparations thereof	7,284	—
Dairy products, eggs and honey	375,723	100,804
Fishery products, for food	61,110	—
Cereals	—	732,644
Manufactured products of cereals, chiefly for human food	30,200	932,819
Fruits and nuts, except oil-nuts	197,987	280
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s.	713,455	—



Sugar and sugar confectionery .....	2,684,632	3,472	Chemical elements and compounds; pharmaceutical products .....	175,081	—
Coffee, tea, cocoa and preparations thereof; spices .....	217,597	—	Dyeing, tanning and colouring substances (not including crude materials) .....	230,862	—
Beverages and vinegars .....	1,215	8,597	Essential oils, perfumery, cosmetics, soaps and related products .....	86,160	19,500
Feeding stuffs for animals, n.e.s. ..	—	59,080	Rubber and manufactures thereof, n.e.s. ....	4,200	—
Tobacco .....	346,756	973	Pulp, paper and cardboard and manufactures thereof .....	218,494	—
Oil-seeds, nuts and kernels .....	2,950	32,143	Textile materials, raw or simply prepared .....	—	206,025
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	4,507,492	—	Yarns and thread .....	77,632	—
Chemical elements and compounds; pharmaceutical products .....	90,443	351,090	Textile fabrics and small wares ....	202,332	—
Dyeing, tanning and colouring substances (not including crude materials) .....	47,267	347,935	Glass and glassware .....	319,052	—
Essential oils, perfumery, cosmetics, soaps and related products .....	100,634	583	Ores, slag, cinder .....	—	648,570
Fertilizers .....	230	32,294	Iron and steel .....	1,900,935	—
Rubber and manufactures thereof, n.e.s. ....	14,000	202,583	Manufactures of base metals, n.e.s. .	76,546	—
Wood, cork & manufactures thereof	1,020,776	603	Machinery, apparatus and appliances other than electrical, n.e.s. ....	4,288	—
Pulp, paper and cardboard and manufactures thereof .....	142,539	285,528	Vehicles & transport equipment, n.e.s.	70	—
Hides and skins and leather .....	401,627	—	Miscellaneous crude or simply prepared products, n.e.s. ....	—	71,653
Manufactures of leather, not including articles of clothing .....	528	—	Manufactured articles, n.e.s. ....	10,427	—
Textile materials, raw or simply prepared .....	101,047	—	Total .....	3,721,782	1,168,140
Yarns and thread .....	2,731,190	1,026,000			
Textile fabrics and small wares ....	304,625	7,712			
Special and technical textile articles	137,287	672			
Clothing and underwear of textile materials, hats of all materials ..	13,742	—			
Footwear, boots, shoes and slippers	1,275	—			
Made-up articles of textile materials other than clothing .....	890,998	470			
Products for heating, lighting and power, lubricants and related products .....	105,850	1,060,678			
Non-metallic minerals, crude or simply prepared, n.e.s. ....	76,786	1,934			
Pottery and other clay products ....	251,013	4,733			
Glass and glassware .....	25,560	41,416			
Manufactures of non-metallic minerals, n.e.s. ....	2,631	13,610			
Precious metals and precious stones, pearls and articles made of these materials .....	—	234			
Ores, slag, cinder .....	5,653,358	—			
Iron and steel .....	200	34,358			
Non-ferrous base metals .....	3,544,204	48,527			
Manufactures of base metals, n.e.s. .	72,967	35,805			
Machinery, apparatus and appliances other than electrical, n.e.s. ....	2,354,326	111,100			
Electrical machinery, apparatus and appliances .....	3,030	100,203			
Vehicles & transport equipment, n.e.s.	66,954	74,399			
Miscellaneous crude or simply prepared products, n.e.s. ....	5,403,567	14,883			
Manufactured articles, n.e.s. ....	1,127,096	97,229			
Gold and specie .....	—	3,570,800			
Total .....	36,190,211	9,336,191			

## FRANCE

## ARTICLES

	Imports \$	Exports \$
Dairy products, eggs and honey ...	—	15,680
Fishery products, for food .....	1,120	—
Fruits & nuts, except oil-nuts .....	41,498	—
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	22,150	124,478
Coffee, tea, cocoa and preparations thereof; spices .....	—	17,660
Beverages and vinegars .....	350,935	—
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	—	64,574

## FRENCH INDOCHINA

## ARTICLES

Imports  
\$ Exports  
\$

Dairy products, eggs and honey ....	—	15,130
Fishery products, for food .....	135,263	59,343
Manufactured products of cereals, chiefly for human food .....	—	20,912
Fruits and nuts, except oil-nuts ....	76,652	96,377
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	1,082,640	285,009
Sugar and sugar confectionery .....	—	4,170
Coffee, tea, cocoa and preparations thereof; spices .....	—	35,220
Beverages and vinegars .....	—	2,420
Feeding stuffs for animals, n.e.s. ..	14,157	—
Tobacco .....	—	101,175
Oil-seeds, nuts and kernels .....	46,546	—
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	6,200	—
Chemical elements and compounds; pharmaceutical products .....	—	9,458
Pulp, paper and cardboard and manufactures thereof .....	—	37,340
Hides and skins and leather .....	86,620	—
Textile materials, raw or simply prepared .....	—	73,165
Yarns and thread .....	—	471,096
Textile fabrics and small wares ....	—	697
Clothing and underwear of textile materials; hats of all materials ..	—	100
Products for heating, lighting and power, lubricants and related products .....	—	14,832
Non-metallic minerals, crude or simply prepared, n.e.s. ....	10,400	1,360
Precious metals and precious stones, pearls and articles made of these materials .....	51,840	—
Manufactures of base metals, n.e.s. .	1,000	750
Machinery, apparatus and appliances other than electrical, n.e.s. ....	—	28,628
Electrical machinery, apparatus and appliances .....	—	1,296
Vehicles & transport equipment, n.e.s.	3,600	6,200
Miscellaneous crude or simply prepared products, n.e.s. ....	415,649	620,880
Manufactured articles, n.e.s. ....	—	21,796
Total .....	1,930,567	1,907,354



## GERMANY

ARTICLES	Imports \$	Exports \$
Dairy products, eggs and honey ....	—	18,144
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	40,830	—
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	—	512,294
Chemical elements and compounds; pharmaceutical products ....	8,000	—
Dyeing, tanning and colouring sub- stances (not including crude materials) ....	85,651	—
Essential oils, perfumery, cosmetics, soaps and related products ....	—	50,770
Hides and skins and leather ....	—	44,785
Precious metals and precious stones, pearls and articles made of these materials ....	672	—
Iron and steel ....	6,977	—
Manufactures of base metals, n.e.s. .	46,733	—
Machinery, apparatus and appliances other than electrical, n.e.s. ....	276,679	—
Electrical machinery, apparatus and appliances ....	10,315	—
Miscellaneous crude or simply pre- pared products, n.e.s. ....	—	150,351
Manufactured articles, n.e.s. ....	28,269	6,419
Total .....	504,126	782,763

## HOLLAND

ARTICLES	Imports \$	Exports \$
Meat and preparations thereof ....	4,343	—
Dairy products, eggs and honey ....	780,454	—
Fishery products, for food ....	27,287	—
Cereals ....	12,080	—
Manufactured products of cereals, chiefly for human food ....	7,989	—
Fruits and nuts, except oil-nuts ....	2,280	—
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	86,452	—
Coffee, tea, cocoa and preparations thereof; spices ....	17,681	—
Beverages and vinegars ....	114,648	—
Tobacco ....	1,151	86,872
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	43,574	208,415
Chemical elements and compounds; pharmaceutical products ....	225,355	—
Dyeing, tanning and colouring sub- stances (not including crude materials) ....	138,324	—
Essential oils, perfumery, cosmetics, soaps and related products ....	33,565	84,391
Rubber and manufactures thereof, n.e.s. ....	303	—
Pulp, paper and cardboard and manu- factures thereof ....	400,482	—
Hides and skins and leather ....	45,827	209,673
Manufactures of leather, not includ- ing articles of clothing ....	4,925	—
Yarns and thread ....	20,325	—
Textile fabrics and small wares ....	55,398	—
Special and technical textile articles Clothing and underwear of textile materials, hats of all materials ..	5,480	—
Made-up articles of textile materials other than clothing ....	4,972	—
Pottery and other clay products ...	14,457	—
Glass and glassware ....	14,480	—
Manufactures of non-metallic miner- als, n.e.s. ....	11,352	—
Precious metals and precious stones, pearls and articles made of these materials ....	692	—
Iron and steel ....	179,587	66,597
	1,148	—

Non-ferrous base metals .....	—	51,912
Manufactures of base metals, n.e.s. .	58,380	820
Machinery, apparatus and appliances other than electrical, n.e.s. ....	262,448	—
Electrical machinery, apparatus and appliances ....	114,575	—
Vehicles & transport equipment, n.e.s.	25,596	—
Miscellaneous crude or simply pre- pared products, n.e.s. ....	11,329	146,018
Manufactured articles, n.e.s. ....	64,549	94,913
Total .....	2,791,488	949,611

## ITALY

ARTICLES	Imports \$	Exports \$
Dairy products, eggs and honey ...	2,091	—
Beverages and vinegars ....	3,399	—
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	—	119,280
Chemical elements and compounds; pharmaceutical products ....	27,200	—
Dyeing, tanning and colouring sub- stances (not including crude materials) ....	45,455	—
Rubber and manufactures thereof, n.e.s. ....	187,750	—
Hides and skins and leather ....	—	71,866
Textile materials, raw or simply prepared .....	—	70,082
Yarns and thread ....	337,507	—
Textile fabrics and small wares ....	153,789	—
Special and technical textile articles Clothing and underwear of textile materials, hats of all materials ..	31,840	—
Non-metallic minerals, crude or sim- ply prepared, n.e.s. ....	32,500	—
Manufacture of non-metallic miner- als, n.e.s. ....	2,960	—
Iron and steel ....	79,760	—
Manufactures of base metals n.e.s. .	100,287	—
Machinery, apparatus and appliances other than electrical, n.e.s. ....	83,618	—
Electrical machinery, apparatus and appliances ....	20,034	—
Vehicles & transport equipment, n.e.s.	71,050	—
Miscellaneous crude or simply pre- pared products, n.e.s. ....	61,359	—
Manufactured articles, n.e.s. ....	1,756	60,994
	33,900	19,292
Total .....	1,276,250	341,514

## JAPAN

ARTICLES	Imports \$	Exports \$
Dairy products, eggs and honey ...	—	180
Fishery products, for food ....	121,633	—
Fruits and nuts, except oil-nuts ...	7,022	121
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	1,114,232	—
Sugar and sugar confectionery ....	—	43
Coffee, tea, cocoa and preparations thereof; spices ....	19,569	—
Beverages and vinegars ....	—	22,740
Feeding stuffs for animals, n.e.s. .	—	1,527,740
Tobacco ....	—	1,156
Oil-seeds, nuts and kernels ....	—	1,397,425
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	—	165,600
Chemical elements and compounds; pharmaceutical products ....	105,920	33
Dyeing, tanning and colouring sub- stances (not including crude materials) ....	4,958	18,702
Essential oils, perfumery, cosmetics, soaps and related products ....	—	144
Rubber and manufactures thereof, n.e.s. ....	171,647	989
Wood, cork & manufactures thereof	11,207	24,135



Pulp, paper and cardboard and manufactures thereof .....	375,033	7,840
Hides and skins and leather .....	—	272,713
Furs, not made up .....	—	3,000
Textile materials, raw or simply prepared .....	68,114	892,000
Yarns and thread .....	223,582	—
Textile fabrics and small wares .....	1,527,718	265,936
Clothing and underwear of textile materials; hats of all materials ..	2,922	24,704
Footwear, boots, shoes and slippers ..	—	300
Made-up articles of textile materials other than clothing .....	294,642	468
Products for heating, lighting and power, lubricants and related products .....	1,361,588	436
Non-metallic minerals, crude or simply prepared, n.e.s. ....	225,158	51,240
Pottery and other clay products .....	268,648	500
Glass and glassware .....	92,971	2,000
Manufactures of non-metallic minerals, n.e.s. ....	211,579	—
Ores, slag, cinder .....	—	760,125
Non-ferrous base metals .....	151,807	—
Manufactures of base metals, n.e.s. ....	315,511	9,843
Machinery, apparatus and appliances other than electrical, n.e.s. ....	4,011,564	75,411
Electrical machinery, apparatus and appliances .....	64,514	7,483
Vehicles & transport equipment, n.e.s. ....	—	266,693
Miscellaneous crude or simply prepared products, n.e.s. ....	—	26,200
Manufactured articles, n.e.s. ....	149,212	145,538
<b>Total .....</b>	<b>10,900,746</b>	<b>5,971,436</b>

**KOREA, SOUTH****ARTICLES**

Imports Exports

\$ \$

Dairy products, eggs and honey ....	—	350
Fishery products, for food .....	492,003	—
Manufactured products of cereals, chiefly for human food .....	6,000	990
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	194,661	19,736
Beverages and vinegars .....	—	163
Tobacco .....	—	1,122
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	80,230	13,112
Chemical elements and compounds; pharmaceutical products .....	14,400	212,738
Dyeing, tanning and colouring substances (not including crude materials) .....	—	84,295
Essential oils, perfumery, cosmetics, soap; and related products .....	—	40
Rubber and manufactures thereof, n.e.s. ....	2,000	84,700
Wood, cork & manufactures thereof ..	—	1,000
Pulp, paper and cardboard and manufactures thereof .....	2,000	949,747
Furs, not made up .....	5,000	—
Textile materials, raw or simply prepared .....	9,501	32,140
Yarns and thread .....	—	731,500
Textile fabrics and small wares .....	—	248,279
Clothing and underwear of textile materials, hats of all materials ..	—	137
Footwear, boots, shoes and slippers ..	7,515	39,110
Made-up articles of textile materials other than clothing .....	—	81
Products for heating, lighting and power, lubricants and related products .....	—	15,300
Non-metallic minerals, crude or simply prepared, n.e.s. ....	27,070	—
Glass and glassware .....	—	57,000
Ores, slag, cinder .....	170,000	—
Iron and steel .....	—	99,703
Non-ferrous base metals .....	—	7,560

Electrical machinery, apparatus and appliances .....	—	3,046
Vehicles & transport equipment, n.e.s. ....	—	85,650
Miscellaneous crude or simply prepared products, n.e.s. ....	525,685	17,983
Manufactured articles, n.e.s. ....	—	27,750
<b>Total .....</b>	<b>1,536,065</b>	<b>2,733,232</b>

**KOREA, NORTH****ARTICLES**

Imports Exports

\$ \$

Fishery products, for food .....	287,400	—
Feeding stuffs for animals, n.e.s. ....	1,029,831	—
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	—	17,381
Chemical elements and compounds; pharmaceutical products .....	—	81,546
Rubber and manufactures thereof, n.e.s. ....	—	114,245
Wood, cork & manufactures thereof ..	—	199
Pulp, paper and cardboard and manufactures thereof .....	—	194,867
Furs, not made up .....	30,000	—
Yarns and threads .....	—	12,933
Textile fabrics and small wares .....	—	418,665
Special and technical textile articles ..	—	58,558
Clothing and underwear of textile materials; hats of all materials ..	—	4,654
Made-up articles of textile materials other than clothing .....	—	2,745
Non-metallic minerals, crude or simply prepared, n.e.s. ....	—	1,050
Manufactures of non-metallic minerals, n.e.s. ....	—	20,197
Iron and steel .....	—	74,141
Non-ferrous base metals .....	—	4,672
Manufactures of base metals, n.e.s. ....	—	28,913
Machinery, apparatus and appliances other than electrical, n.e.s. ....	—	168,986
Electrical machinery, apparatus and appliances .....	—	17,007
Vehicles & transport equipment, n.e.s. ....	—	32,113
Miscellaneous crude or simply prepared products, n.e.s. ....	384,000	12,852
Manufactured articles, n.e.s. ....	—	172,655
<b>Total .....</b>	<b>1,731,231</b>	<b>1,438,379</b>

**MACAO****ARTICLES**

Imports Exports

\$ \$

Live animals, chiefly for food .....	162,550	—
Meat and preparations thereof .....	23,477	2,658
Dairy products, eggs and honey ....	720,330	313,234
Fishery products, for food .....	196,669	978,698
Cereals .....	4,151	19,355
Manufactured products of cereals, chiefly for human food .....	27,071	1,208,911
Fruits and nuts, excepts oil-nuts ..	154,613	1,003,375
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	954,640	1,051,700
Sugar and sugar confectionery .....	44,176	121,546
Coffee, tea, cocoa and preparations thereof; spices .....	5,996	90,093
Beverages and vinegars .....	104,679	517,578
Feeding stuffs for animals, n.e.s. ....	3,287	478,480
Tobacco .....	15,142	1,254,852
Oil-seeds, nuts and kernels .....	29,472	490,101
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	734,062	245,451
Chemical elements and compounds; pharmaceutical products .....	170,069	898,352
Dyeing, tanning and colouring substances (not including crude materials) .....	31,404	101,992
Essential oils, perfumery, cosmetics, soaps and related products .....	28,198	514,899



Fertilizers .....	4,877	548,803	Clothing and underwear of textile materials; hats of all materials ..	—	2,187,663
Rubber and manufactures thereof, n.e.s. ....	1,160	61,063	Footwear, boots, shoes and slippers ..	—	2,140
Wood, cork & manufactures thereof ..	38,998	213,518	Made-up articles of textile materials other than clothing .....	—	308,847
Pulp, paper and cardboard and manufactures thereof .....	21,292	442,029	Products for heating, lighting and power, lubricants and related products. ....	893,535	—
Hides and skins and leather .....	13,994	77,015	Pottery and other clay products ....	—	300
Manufactures of leather, not including articles of clothing .....	—	6,372	Glass and glassware .....	—	37,123
Textile materials, raw or simply prepared .....	144,658	22,658	Non-ferrous base metals .....	25,300	—
Yarns and thread .....	4,240	386,741	Manufactures of base metals, n.e.s. .	—	260,948
Textile fabrics and small wares ....	368,510	2,464,013	Machinery, apparatus and appliances other than electrical, n.e.s. ....	—	4,931
Special and technical textile articles ..	13,153	42,437	Electrical machinery, apparatus and appliances .....	—	48,491
Clothing and underwear of textile materials; hats of all materials ..	13,443	668,768	Miscellaneous crude or simply prepared products, n.e.s. ....	353,102	213,120
Clothing of leather and fur .....	—	360	Manufactured articles, n.e.s. ....	27,300	278,582
Footwear, boots, shoes and slippers ..	410	153,032	Total .....	1,696,445	5,014,617
Made-up articles of textile materials other than clothing .....	37,985	45,612			
Products for heating, lighting and power, lubricants and related products ..	2,400	805,618			
Non-metallic minerals, crude or simply prepared, n.e.s. ....	10,132	67,713			
Pottery and other clay products ....	1,688	37,136			
Glass and glassware .....	1,187	242,757			
Manufactures of non-metallic minerals, n.e.s. ....	900	6,941			
Ores, slag, cinder .....	50,860	—			
Iron and steel .....	1,560	294,918			
Non-ferrous base metals .....	136,158	327,699			
Manufactures of base metals, n.e.s. .	73,609	590,083			
Machinery, apparatus and appliances other than electrical, n.e.s. ....	5,141	199,286			
Electrical machinery, apparatus and appliances .....	2,946	530,801			
Vehicles & transport equipment, n.e.s.	21,143	490,226			
Miscellaneous crude or simply prepared products, n.e.s. ....	298,959	483,126			
Manufactured articles, n.e.s. ....	1,137,898	741,969			
Gold and specie .....	—	21,321			
Total .....	5,817,287	19,263,017			

## NETHERLANDS EAST INDIES (Indonesia)

ARTICLES	Imports	Exports	Imports	Exports
	\$	\$		
Fishery products, for food .....	41,264	2,845	Meat and preparations thereof .....	55,007
Manufactured products of cereals, chiefly for human food .....	—	40,200	Dairy products, eggs and honey ...	1,179,757
Fruits and nuts, except oil-nuts ....	—	1,525	Fishery products, for food .....	500 192,598
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	33,558	15,397	Manufactured products of cereals, chiefly for human food .....	— 258,591
Sugar and sugar confectionery ....	—	552,982	Fruits and nuts, except oil-nuts ....	246,143 180,419
Coffee, tea, cocoa and preparations thereof; spices .....	—	1,611	Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s. ....	22,450 927,906
Beverages and vinegars .....	—	866	Sugar and sugar confectionery ....	500 33,485
Feeding stuffs for animals, n.e.s. ....	—	95	Coffee, tea, cocoa and preparations thereof; spices .....	— 17,037
Tobacco .....	—	66,165	Beverages and vinegars .....	— 5,018
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	70,400	50,470	Feeding stuffs for animals, n.e.s. ...	— 45
Chemical elements and compounds; pharmaceutical products .....	22,158	136,015	Tobacco .....	47,019 —
Dyeing, tanning and colouring substances (not including crude materials) .....	14,940	95,640	Oil-seeds, nuts and kernels .....	— 117,910
Essential oils, perfumery, cosmetics, soaps and related products .....	19,088	32,947	Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s. ....	— 16,934
Rubber and manufactures thereof, n.e.s. ....	188,500	—	Chemical elements and compounds; pharmaceutical products .....	6,320 87,620
Wood, cork & manufactures thereof ..	—	2,410	Dyeing, tanning and colouring substances (not including crude materials) ..	— 41,026
Pulp, paper and cardboard and manufactures thereof .....	—	230,724	Essential oils, perfumery, cosmetics, soaps and related products .....	7,600 3,480
Hides and skins and leather .....	—	7,500	Rubber and manufactures thereof, n.e.s. ....	20,850 27,815
Textile materials, raw or simply prepared .....	7,300	11,480	Wood, cork & manufactures thereof ..	105,215 113,161
Yarns and thread .....	—	193,029	Pulp, paper and cardboard and manufactures thereof .....	— 70,365
Textile fabrics and small wares ....	—	230,071	Hides and skins and leather .....	— 42,000
Special and technical textile articles ..	—	500	Manufactures of leather, not including articles of clothing .....	— 42,612
			Textile materials, raw or simply prepared .....	423,729 39,000
			Yarns and thread .....	— 252,950
			Textile fabrics and small wares ....	158,795 613,026
			Special and technical textile articles ..	— 310
			Clothing and underwear of textile materials; hats of all materials ..	840 246,383
			Footwear, boots, shoes and slippers ..	— 56,320
			Made-up articles of textile materials other than clothing .....	270 12,874
			Products for heating, lighting and power, lubricants and related products ..	14,300 133,704
			Non-metallic minerals, crude or simply prepared, n.e.s. ....	— 3,220
			Pottery and other clay products ....	— 34,240
			Glass and glassware .....	52,057 42,936
			Manufactures of non-metallic minerals, n.e.s. ....	— 1,145
			Iron and steel .....	— 52,934
			Non-ferrous base metals .....	— 9,472
			Manufactures of base metals, n.e.s. .	— 1,132,763
			Machinery, apparatus and appliances other than electrical, n.e.s. ....	— 3,900



Vehicles & transport equipment, n.e.s.	124	25,580
Miscellaneous crude or simply prepared products, n.e.s.	13,880	81,337
Manufactured articles, n.e.s.	3,870	359,732
<b>Total</b>	<b>1,124,462</b>	<b>6,514,412</b>

## SIAM

## ARTICLES

Imports Exports  
\$ \$

Meat and preparations thereof	—	44
Dairy products, eggs and honey	—	17
Fishery products, for food	356,305	—
Cereals	4,014,444	—
Manufactured products of cereals, chiefly for human food	466,290	29,072
Fruits and nuts, except oil-nuts	86,862	—
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s.	131,276	6,683
Sugar and sugar confectionery	—	1,200
Coffee, tea, cocoa and preparations thereof; spices	138,800	4,066
Beverages and vinegars	—	49,038
Tobacco	—	192
Oil-seeds, nuts and kernels	358,635	—
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s.	108,460	793
Chemical elements and compounds; pharmaceutical products	209,104	290,849
Dyeing, tanning and colouring substances (not including crude materials)	—	93,737
Essential oils, perfumery, cosmetics, soaps and related products	—	18,531
Fertilizers	—	35,437
Rubber and manufactures thereof, n.e.s.	—	2,040
Wood, cork & manufactures thereof	810,114	13,809
Pulp, paper and cardboard and manufactures thereof	—	73,435
Hides and skins and leather	185,525	—
Manufactures of leather, not including articles of clothing	—	700
Textile materials, raw or simply prepared	3,060	15,860
Yarns and thread	—	1,448,909
Textile fabrics and small wares	—	765,657
Special and technical textile articles	—	7,160
Clothing and underwear of textile materials; hats of all materials	—	193,322
Footwear, boots, shoes and slippers	—	3,445
Made-up articles of textile materials other than clothing	—	36,206
Products for heating, lighting and power, lubricants and related products	—	518,801
Non-metallic minerals, crude or simply prepared, n.e.s.	447,268	2,995
Pottery and other clay products	—	7,769
Glass and glassware	—	37,455
Manufactures of non-metallic minerals, n.e.s.	—	1,789
Precious metals and precious stones, pearls and articles made of these materials	2,976	330
Iron and steel	—	149,906
Non-ferrous base metals	—	26,282
Manufactures of base metals, n.e.s.	—	351,681
Machinery, apparatus and appliances other than electrical, n.e.s.	—	20,782
Electrical machinery, apparatus and appliances	—	81,797
Vehicles & transport equipment, n.e.s.	—	40,429
Miscellaneous crude or simply prepared products, n.e.s.	138,211	77,675
Manufactured articles, n.e.s.	—	173,534
<b>Total</b>	<b>7,457,330</b>	<b>4,581,427</b>

## U. S. A.

## ARTICLES

Imports Exports  
\$ \$

Meat and preparations thereof	46,580	7,789
Dairy products, eggs and honey	152,642	92,585
Fishery products, for food	547,259	253,484
Cereals	2,649	—
Manufactured products of cereals, chiefly for human food	122,845	73,377
Fruits and nuts, except oil-nuts	964,073	202,785
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s.	136,346	500,403
Sugar and sugar confectionery	297,782	3,837
Coffee, tea, cocoa and preparations thereof; spices	188,941	185,492
Beverages and vinegars	107,080	5,955
Feeding stuffs for animals, n.e.s.	—	10,054
Tobacco	3,183,768	1,200
Oil-seeds, nuts and kernels	—	146,106
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s.	185,384	2,351,849
Chemical elements and compounds; pharmaceutical products	3,528,113	112,452
Dyeing, tanning and colouring substances (not including crude materials)	1,892,837	585
Essential oils, perfumery, cosmetics, soaps and related products	590,305	17,825
Rubber and manufactures thereof, n.e.s.	116,047	—
Wood, cork & manufactures thereof	219,742	44,332
Pulp, paper and cardboard and manufactures thereof	4,281,970	23,708
Hides and skins and leather	95,699	1,313,239
Manufactures of leather, not including articles of clothing	35,692	—
Furs, not made up	—	599,025
Textile materials, raw or simply prepared	3,034,171	160,142
Yarns and threads	63,504	4,472
Textile fabrics and small wares	38,580	282,499
Special and technical textile articles	3,203,318	1,463
Clothing and underwear of textile materials; hats of all materials	1,326,015	244,403
Footwear, boots, shoes and slippers	50,117	8,518
Made-up articles of textile materials other than clothing	85,085	105
Products for heating, lighting and power, lubricants and related products	4,437,725	5,254
Non-metallic minerals, crude or simply prepared, n.e.s.	78,948	30,000
Pottery and other clay products	45,837	506,475
Glass and glassware	271,005	1,234
Manufactures of non-metallic minerals, n.e.s.	53,809	549
Precious metals and precious stones, pearls and articles made of these materials	2,115,520	49,140
Ores, slag, cinder	—	27,720
Iron and steel	1,215,258	3,588
Non-ferrous base metals	42,548	3,327,359
Manufactures of base metals, n.e.s.	1,320,513	51,760
Machinery, apparatus and appliances other than electrical, n.e.s.	6,674,136	—
Electrical machinery, apparatus and appliances	1,497,322	460
Vehicles & transport equipment, n.e.s.	2,079,676	12,000
Miscellaneous crude or simply prepared products, n.e.s.	282,160	6,420,157
Manufactured articles, n.e.s.	3,029,855	1,073,273
<b>Total</b>	<b>47,640,858</b>	<b>18,156,652</b>

## U. S. S. R.

## ARTICLES

Imports Exports  
\$ \$

Non-ferrous base metals	602,914	—
<b>Total</b>	<b>602,914</b>	<b>—</b>



